

PROCEEDINGS OF THE LAFAYETTE AIRPORT COMMISSION MEETING OF THE LAFAYETTE REGIONAL AIRPORT OF LAFAYETTE, STATE OF LOUISIANA, TAKEN AT A SPECIAL MEETING OF SEPTEMBER 9, 2020 HELD AT 200 TERMINAL DRIVE, LAFAYETTE, LA.

ATTENDANCE

COMMISSION: Paul Segura - (Chairperson), Paul A. Guilbeau – (Vice-Chairman), John E. Hebert (Secretary/Treasurer), Lynn Guidry, Samuel Pierre, Patrick Edmond, Terry Hurd

ABSENT: none

ADMINISTRATIVE STAFF: Steven Picou (Executive Director), Mary Green (Comptroller), Catina Theriot (Secretary), Ashley Simon (Environmental Compliance Officer).

GENERAL AUDIENCE: Robert Callahan (Sides & Associates), Steve Creamer (RS&H), Michael Mondragon (RS&H), Tim Murray (CBRE), Frank Malagarie, Bryan Tabor (LCG).

I. CALL TO ORDER:

Chairperson Segura called the Special Commission Meeting of September 9, 2020 to order at 5:00 pm.

II. INTRODUCTION/ROLL CALL

III. PLEDGE OF ALLEGIANCE

IV. SCHEDULED BUSINESS

1. 2021 Budget Review - Discussion/Action-

Executive Director Picou stated this is the Budget Review of 2021. Executive Director Picou stated this year's budget is a continuation of Commissioners' and staff's efforts over the past couple of years with efforts to optimize the LAC's financial health. Executive Director Picou stated the airport has made certain efforts to monitor certain expenses, develop and expand resources, demonstrate sound fiscal decisions and policies in the budget. Executive Director Picou stated with COVID-19 these measures have been sharpened. Executive Director Picou stated the LAC has been mindful of criteria and benchmarks needed to assume future debt if needed to complete the terminal project all the while making the most of funding already utilized. Executive Director Picou stated fiduciary action to place the LAC in the best position possible to receive the optimum rates and terms. Executive Director Picou stated questions will be answered, but it would be best to hold off on asking questions due to the time restraint with the next meeting starting at 5:30 p.m. Chairman Segura stated the Commissioners could ask questions, but limit them.

Mrs. Mary Green presented three packets (2021 Proposed Budget, Additional Backup, and Unaudited Financials) that were emailed out to the Commissioners last week. Mrs. Green started off with Staff's Proposed 2021 Budget. Mrs. Green stated before going into detail of this year's Annual Budget she wanted to add this year's budget has had the added pressure of the effects of COVID-19, it generally is difficult enough to project how business is going to be for the entire next year, based on four or five months before the start of that year. As a result, these potential impacts are conservative with revenue projections and a bit more liberal on a few of the expense accounts more than what normally would be.

2021 Proposed Budget-First page is a summary and the line numbers are on the left and Mrs. Green would refer to the line numbers throughout the presentation.

Basically, the LAC is comparing the 2021 Budget to the actual 2019 numbers in the first column as well as to the current year 2020 Budget. The summary page reflects a proposed budget that is balanced and adds an additional \$1,017,931 as seen on line 24. Mrs. Green stated at the top under the Budget 2021 heading on line 7 comparing to 2019's Actual column there's a decrease of 18% in Total Operating Receipts and on line 15 there is a 10% increase in Operating Disbursements. In addition, this budget reflects an 11% decrease between the 2020 and the 2021 Budget estimates for revenues along with a 0% increase in expenses. Both segments are discussed in depth on the next pages of the summary. The 14% decrease shown on line 20 for other Income is simply use of a conservative estimate approach to these revenues which is a 4% increase to last year's estimate. On line 18, shows the approximate amount of interest expense on the lines of credit that the LAC plans to pay in 2021. On line 22, this amount shows the amount is proposed to be spent on LAC Capital items and improvements for 2020 and will be discussed in detail. The amount for 2020 Debt Service on line 23 shows there could be some debt repayments in 2021, but not substantial amounts until the Terminal Project is complete. There were no questions about the summary page.

Mrs. Green continued on to page 2 and started with the revenues.

Land rentals category shows a 2% increase on line 25 that compares the 2021 Budget to both the 2019 Actual and a 3% increase to the 2020 Budget. These increases are largely due to annual CPI increases based on individual lease terms. Mrs. Green pointed out the most significant items on line 20 showing an addition of the Skywalker Lease, which accounts for the majority of this increase. Also notable is the largest dollar lease, which is Kopter, which will run until 2024. Commissioner Pierre asked Mrs. Green to repeat what was mentioned about the Kopter lease. Mrs. Green repeated the Kopter lease is the largest dollar lease in this section on line 10 and it will run until 2024.

Hangar rentals have a 6% increase in this category from the 2019 Actual Budget and the 2020 Budget number on line 35. This increase is almost entirely due to the addition of Owen's Flight Training on line 32. These are the only hangars the LAC receives rental revenues from and all other small increases are due to CPI increases in their individual lease terms. Chairman Segura asked if the LAC was losing some income with the PHI Fixed Wing and maybe Western. Chairman Segura stated the PHI Fixed Wing is not getting renewed and there was a Request for Proposals. Executive Director Picou stated they are still in it for one more year. Executive Director Picou stated the agreement was if they were unable to lease the hangar, they would stay for the full lease term and that is one more year. Executive Director Picou stated Western was staying where they currently are located.

Terminal rents show a 16% decrease comparing 2021 budget to 2019's Actual budget numbers on line 51. In addition, when comparing to the 2020 budget there is an 8% decrease. As seen on line 40 the loss of Frontier's revenue for 2021 counts for nearly 20% of this drop. On lines 37-39 LAC terminal rents are controlled by the Ordinance 92-1, meaning the terminal tenant rates including airlines and rental cars will remain the same for 2021. While the overall expected revenue is the same for the airlines the distribution of dollars shifts based on their current enplanement numbers. On lines 41-45 the 2015 rental car agreements updated the (MAGs) Minimum Annual Guarantees of each rent car vendor. So, based on our current data the budgeted revenue for 2021 is being lowered to each of their agreed upon MAGs. Mrs. Green stated this alone accounts for over 50% of the revenue drop here. If their revenues in 2021 are above these MAGs the airport still gets 10% of all their revenues according to the agreements. On line 46 this also shows Acadiana Tap House as being updated to reflect their MAG as well, but if they make more revenue the airport continues to get the percentage as well. On line 50 this reflects the (GSA) General Services Administration) revenue increase, which was based on an updated appraisal in late

2019. Commissioner Pierre asked if these numbers were based on the minimum based on their contract. Mrs. Green stated yes and Commissioner Pierre asked if they go over the airport and get 10% of their revenue. Mrs. Green stated the airport would get 10% over all their revenue not just the MAGs for car rental vendors. Executive Director Picou stated if Acadiana Tap House makes more money the airport makes more money. Commissioner Pierre asked if they don't make more the agencies need to pay the minimum per the contract reflected on lines 41-45 and lines 37-39.

Building rents shows the 8% decrease in revenue percentages when comparing the 2021 budget to both 2019 Actual and 2020 budget as seen on line 51. This result is in large part due to the addition of the QTA which was operational in May 2020. The revenue amounts shown on Lines 13 represent the first full year's revenue in 2021 versus 8 months of the new QTA facility in 2020. In addition, there is an increase to the FAA Tower rent on line 6 due to an updated appraisal and lease term that is set until 2024. As far as the rental car vacated properties, the Avis/Budget Service center will be demoed for the detention pond and the National/Enterprise Service center is currently being used by LAC Maintenance. Mrs. Green stated as shown there are two properties that are currently up for lease, which are online 13 113 Borman Facility and the 118 Shepard Facility online 16. There has been some interest in the properties but no leases as of this date. All other leases remain the same or have small increases due to their individual lease terms. There were no questions about Building Rents.

Under Other Incomes, Total Fuel Flowage Fees are estimated for 2021 to be about 33% lower than previous actual amounts based on the current amounts the LAC is receiving. Mrs. Green stated all of these resources have been reporting approximately 35% drop in their fuel flowage fees. Per LAC's Fuel Flowage Ordinance, fuel rates are 10 cents per gallon received. While this drop in revenue shows a fairly large percentage the actual dollar drop is overall not substantial.

Landing Fees, this revenue source shows where the LAC is likely to take a large hit in dollars and percentage loss. As seen on line 38 shows a 34% drop from 2019 Actual Budget numbers with an 18% drop from 2020's budget. Mrs. Green stated these projections are on the current number of landings per airline. While in 2019 the airlines averaged 12 to 14 flights per day, we are still less than 8 flights a day per even with being 6 months into the pandemic. This results in a \$473,000 decrease which includes the loss of Frontier's fees as well. Mrs. Green stated airlines landings that are governed by Ordinance 92-1. While there are less flights a day the airlines are using larger aircrafts and load factors are starting to increase. In addition, to the airlines Ordinance 92-1 applies to the cargo operators as well. On lines 35 and 36 you can see FedEx and UPS are continuing if not increasing the number of landings with the increased shipping demands. There were no questions on landing fees.

On line 39 along with significant drops from the rental car revenue under the terminal rents and the expected high reduction in landing fee revenues, this is the third area with the largest drop in revenue. Mrs. Green stated the LAC based this combination of taking just less than 50% of 2019's Actual Revenue and a projection of a very conservative estimate of future enplanements as well as the parking revenues that are currently being reported. On line 40 Other income items included any miscellaneous income, tenant insurance reimbursements, as well as commissions from vending machines sales and ATM fees which are trending only slightly lower, and the TSA reimbursement amount for the LEO position. Based on lower car wash revenues based on the result there are fewer cars going through the QTA. Mrs. Green stated the LAC is budgeting approximately \$13,000 less this year for that. On line 42 Interest Income is showing an increase due to current rates and the LAC's current fund levels. Mrs. Green stated the LAC budgets Interest Income very conservatively based on the fact there is an unknown speed of the construction fund outflow. Of note there is no interest recognition of the related to the Terminal Tax Fund accounted for here because that interest is posted to the Terminal Tax Fund and is not available in the Operating budget. On line 44 the Ad Valorem millage projection amounts are estimated at 1.83

mils and conservatively at nearly the same level as last year's budget amount. On line 45 overall total 2021 revenues are estimated to be about 16% less than 2019 Actual, but only 7% less than the 2020 budget number or approximately \$860,000. Commissioner Pierre asked for Mrs. Green to repeat the last statement of the 16% and 7%.

Mrs. Green stated on page 4 Expenditures are separated out by management and audit purposes into Administrative and Maintenance categories. Mrs. Green stated some for example, Repairs and Maintenance expenses, fuel, telecommunications, and the Payroll and benefits account. Under both sections the change in Payroll accounts, which is lines 3-5, and lines 24-26, are changes in Payroll and on cost accounts under both of these categories is a direct function of the LAC Pay Plan, which is shown in detail on page 5. 2021 will be the tenth year of the twelve year Pay Plan. This budget fully funds the inclusion of all twenty-five positions where currently the LAC has three openings. In addition, to the 2021 Payroll amounts, the 2020 Parochial Retirement System account percentage rate remains at 12.25% for another year. On lines 13 and 36 the LAC employees are covered under Blue Cross Blue Shield. While the LAC has been fortunate and has not had any increase in rates for two years, this year there is a 4.5% increase. While this increases our administrative expenses by approximately \$21,000. The slight drop of \$20,000 in advertising expenses on line 9 helps to mitigate this increase when comparing 2020 and 2021 administrative expenses. These budgeted insurance costs represent being fully staffed for the entire year. Overall, on line 22 Administration costs could rise approximately 10% from the 2019 Actual number, but is only 2% higher than the 2020 Budget. On line 46 while Maintenance costs are budgeted to rise a possible 12% from 2019's actual amount, we are essentially projecting a 7% decrease to the current year's budget number. Significant differences and explanations include the following: Under the Administrative section- On line 8 and 12 General Liability insurance and professional fees. Mrs. Green stated compared to 2019 there is an approximate \$41,000 increase to our 2021 insurance cost due largely to additional coverage for the QTA and GA Infrastructure, while there is a \$28,000 projected increase in Professional Fees resulting from additional Consulting/Legal fees associated with ongoing LAC projects. However, by comparing the 2020 Budget the insurance budget amount is going to remain the same and the Professional Fees are budgeted a bit lower. Line 32 under Maintenance section- repairs and maintenance on the QTA - the increase from 2019 actual is provided for unknown expense accounts such as car wash supplies and dumpster service. While there are only four months of data the LAC believes the amount to be appropriate for additional supplies and Maintenance related expenses that may arise. On Line 33 Obstruction Clearance- this line is for tree growth removal of airport and nearby property per FAA regulations. While there were some costs incurred in 2018 and 2019, we do expect more expenses in this area for 2021. On line 34 Environmental- the actual cost for 2019 was below budget in part because some expected environmental expenses did not materialize. The 2021 budget number is a baseline figure for annual groundwater monitor sampling, asbestos assessments, and other typical environmental issues indicated for 2021. However, the 7% decrease in Maintenance expenses basically comes from the single lower budgeted amount. While decreasing this line by just over \$180,000 analysis over the past four years shows this amount should cover our known Environmental regulations and permitting during 2021 and LAC's construction projects. On lines 48-51 Other expenses category. These are all budgeted from contracts. The 9% and 5% changes on line 52 over 2019 actual and 2020 actual budget numbers shows first (ARFF) Airport Rescue Fire Fighters expenses have increased some since 2019 but are expected to be below 2020 budget. Next, as you know there was a large increase for the upgraded and enhanced duties for HUB Security and a 3% increase to the Sheriff Department security contracts, together this accounts for most of the increase in these expenses. Third, the Parking Management fees on line 50 are calculated based on being at 25% of parking

tolls budgeted revenue. Finally, the new janitorial contract with Empire began in 2019 after budget and will include the QTA for 2021. While all these changes result in an overall 10% increase as seen on line 53 as compared to Actual 2019 Expenses there's actually a slight decrease of approximately \$12,000 when compared to the current year's budget estimate for expenses. There were no questions on expenses.

Page 5 is the Compensation Projections. This page shows the LAC employee positions and corresponding pay ranges according to the ten-year pay plan adopted by the Commission action in 2012 and extended for two more years earlier this year. The year 2021 will be the tenth year in the plan. The calculated increases are shown by position and uses the last column of the employee's anniversary month to reveal the actual amount needed for 2021 budget purposes. As stated earlier, there are currently three open positions; the Deputy Director, an Operations Specialist, and a Skilled Maintenance Worker. Mrs. Green stated these positions were left unfilled as they became open in large part to the unknown impacts of COVID-19 and the economic situation that has followed. Mrs. Green stated this budget fully funds those positions that will be advertised to be filled prior to the end of this year. Commissioner Pierre asked what positions were mentioned that were open. Mrs. Green repeated Deputy Director, Maintenance Worker, and Operation Specialist.

Page 6 is Major Capital items and improvements that have been submitted for approval and included in the 2021 budget. It should be noted that the inclusion of these items into the 2021 budget does not indicate their certainty. These are plans. Full explanations for all of the listed items were emailed out last week and are in the Additional Backup the Commissioners had in their folder. Any questions need to be directed to Steven Picou. Commissioner Guilbeau asked about page 1 line 18 if it was referring to Home Bank. Mrs. Green stated yes it was referring to the Line of Credit (LOC). Commissioner Hurd asked about the (EMAS) Engineered Material Arrestor System and once it is used the airport would have to get new blocks. Executive Director Picou stated there usually is a 15 year life span and once it is engaged it is used and needs to be replaced. Executive Director Picou stated the life span gets shortened if preventative maintenance is not performed on the blocks per FAA's Part 139 inspection. Executive Director Picou stated the EMAS system is at the end of each runway in the event an aircraft overshoots or undershoots the runway and the system stops it before it enters the river or if it enters Hwy 90.

V. OTHER BUSINESS- None

VI. PUBLIC COMMENTS - None

VII. ADJOURN

RESOLUTION 2020-9-R1-01: Commissioner Edmond moved to adjourn the Special Commission Meeting of September 9, 2020 at 5:32 p.m. Commissioner Guilbeau seconded this motion and the vote was as follows:

AYES: Guilbeau, Hebert, Guidry, Pierre, Edmond,

Hurd

NAYS: None

ABSENT: None

MOTION CARRIES

The Presentation is available in a digital and audio file at the Lafayette Airport Commission Office at 222 Tower Drive, Lafayette, LA 70508.

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ATTENDANCE

COMMISSION: Paul Segura (Chairman), Paul A. Guilbeau, Sr. (Vice – Chairman) John Hebert (Secretary/Treasurer), Lynn Guidry, Samuel Pierre, Patrick Edmond, Terry Hurd

ABSENT: None

ADMINISTRATIVE STAFF: Steven L. Picou (Executive Director), Stephen Oats (Legal Counsel), Rene Cotton (Properties Administrator), Mary Green (Finance Comptroller), Catina Theriot (Secretary).

GENERAL AUDIENCE: Casey Zaunbrecher (CBRE|Heery), Tim Murray (CBRE|Heery), Adam Thibodeaux (DSA), Chris Groh (CBRE|Heery), Michael Mondragon (RS&H), Robert Callahan (Sides & Associates), Shelby Stach (CBRE|Heery), Paula Serrett (CBRE|Heery), Clayton Jenkins (Lemoine-Manhattan), Frank Malagarie, Keith Broussard (KCB Capital Mgmt), Steve Creamer (RS&H), Mark Stielper (MBSB Group), George Groh (CBRE|Heery), Ralph Hennessy (MBI), Travis Priour (Lemoine-Manhattan), Michael Stropola (ARFF), Brad Kutchins (K&G), Rodney Alexander (The Picard Group). Bryan Tabor (LCG).

I. CALL TO ORDER: (5 : 32 : 00)

II. PLEDGE OF ALLEGIANCE- Led by Chairman Paul Segura and recited by all.

III. INTRODUCTION/ROLL CALL

Chairman Segura recognized Councilman Bryan Tabor in the audience and announced Councilman Tabor served on the Airport Commission. Chairman Segura thanked Councilman Tabor for his help. Commissioner Guilbeau stated he wanted to thank Councilman Tabor for his leadership on the council and for his help with the Ad Valorem Tax.

IV. APPROVAL of the Regular LAC Commission Meeting of August 12, 2020.

RESOLUTION - 2020-9-R1-01 Approval of the Regular Meeting of August 12, 2020:

MOTION: Commissioner Guidry moved the Lafayette Airport Commission to accept minutes of the Regular Meeting of August 12, 2020. Commissioner Pierre seconded this motion and the vote was as follows:

AYES: Guilbeau, Hebert, Guidry, Pierre, Edmond, Hurd

NAYS: None

ABSENT: None

MOTION CARRIES

V. EXECUTIVE DIRECTOR’S REPORT:

1. Recognition of LAC Staff and Commissioner’s September Birthdays
Tyron Picard – The Picard Group – 9/10
Mike Baker - Environmental - 9/15
Justin Cumbo – Operations Specialist – 9/15
2. Coronavirus – Update -*Executive Director Picou stated the airport is continuing to do all they can by wearing face masks inside the building, having public announcements, hand sanitizer stations throughout the terminal, and working with airline partners to ensure when people are entering the building, and wearing face coverings. Executive Director Picou stated the airport is doing all that it can at this point and employees cautiously approach individuals not wearing a face covering and ask if one can be provided.*

3. Part 139 Annual Inspection - *Executive Director Picou stated the original inspection was scheduled in June then it was pushed to August then September and now it has been pushed back to March of 2021. Executive Director Picou stated this inspection is completed every year. The FAA during this inspection inspects our movement areas, training files, Aircraft Rescue Fire Fighting(ARFF), and air carrier fueling operations. Commissioner Guilbeau asked if this would be a dual inspection for 2020 and 2021. Executive Director Picou stated the diagram sent over shows a 2021 inspection with a 2020 inspection in March. Executive Director Picou stated the airport will ask to have the 2021 inspection in March due to the high heat temperatures during the month of June when the inspection normally occurs.*
4. Aviation Fun Day – 31st Anniversary – October 17, 2020 - *Executive Director Picou stated due to all the concerns with COVID-19 the event will be cancelled until October 2021. Executive Director Picou clarified the event is not being postponed, but cancelled until next year. It is best for the public's and staff's safety with 300 kids entering the airfield and sometimes in close proximity with each other.*
5. Millage – Update -*Executive Director Picou stated Chairman Segura sent out an email to all the Commissioners addressing the council meeting and discussions. Executive Director Picou stated Councilman Tabor might have additional news. Executive Director Picou stated the Council President Naquin asked Mayor Guillory if he were to veto the millage to do it right away for another plan of action to be developed. Executive Director Picou stated to his knowledge it had not been vetoed and he doesn't know if the Parish Council has enough votes to override the veto. There will be additional information forthcoming. Commissioner Guilbeau stated it had been ten days and the veto had to happen within ten days or it becomes law. Chairman Segura stated it had only been eight days from the council meeting. Councilman Bryan Tabor stated the unofficial decision was the Mayor would veto the millage. Councilman Tabor stated Mayor Guillory stated the ten days started after the meeting and he had until the end of the week to veto. Commissioner Pierre asked Councilman Tabor if the Mayor gave a reason for the veto. Councilman Tabor stated he asked the same thing and the Mayor stated it was principal. Councilman Tabor stated there was no time to send to the taxpayers and only one other time in the council's history did this happen. Councilman Tabor stated it would be an adjustment and the same as what the Parish was getting before. Councilman Tabor stated the property taxes with the oilfield was slightly up so the residential had to be balanced. Councilman Tabor stated if not passed the parish would lose services about \$4M and the Parish does not have that kind of money. Councilman Tabor stated the tax is really not a tax but a modification or adjustment. Commissioner Guilbeau asked if it would take four votes to override. Councilman Tabor stated four to override that was correct. Commissioner Pierre stated the Parish Council didn't have the four votes. Chairman Segura stated there were only four at the meeting and there are five council members. Chairman Segura stated the Mayor toyed with the idea of all the millages at the Council meeting and some of the decision was from the oilfield, but also from COVID-19 and the residential property was good. Chairman Segura stated it is critical with Parish Millages because the Mayor was thinking of a veto on his principal of no taxes. Mr. Oats, Legal Counsel, stated if the millage is vetoed and not overridden that would mean no assessment for the airport and there would need to be another ordinance. Chairman Segura stated if the millages weren't approved they don't go back to what they normally would have been but they go back to zero. Chairman Segura stated the Legislative Auditor was recommending the airport's adjustment, but we would see what happens. Commissioner Guilbeau asked Councilman Tabor if he felt the votes were there for overriding the veto. Councilman Tabor stated Guilbeau was the only out and he had not spoken to him. Commissioner Edmond asked if it resets to zero would it bankrupt the Parish. Councilman Tabor stated it could, but he doesn't think the Mayor would veto the Parish millage. The airport millage would have some time to get another ordinance done for the previous millage. Chairman Segura stated the purpose for the law was there are a lot of governmental entities that rely on the money every year and that is why the adjustment is allowed. Councilman Tabor stated if the Parish millage doesn't pass it would be a loss of \$4M to the budget and then services would need to be cut. Commissioner Guilbeau stated with legal advice if the millage is vetoed the Commission call a Special Meeting. Mr. Oats, Legal Counsel, stated the Commission can do that but it would not be*

necessary. Mr. Oats stated any of the council members could get an ordinance over to Veronica at the Parish Council office read at the next meeting and voted on. Councilman Tabor stated the Parish may need to call an emergency meeting to read the new ordinance. Chairman Segura asked when the millage would get vetoed does the balance go to zero right away and Mr. Oats stated no it goes back to the original millage. Chairman Segura thanked Councilman Tabor for all his help with the Ad Valorem millage.

6. Skywalker Hangar – Update - Executive Director Picou stated the Skywalker Hangar was complete and signage was installed.
7. Taxiway Foxtrot (South) – Update - Executive Director Picou stated it was the area South of Runway 11-29 across from it has been reopened. Executive Director Picou stated he spoke with Domingue Szabo and the contractor, Siema Construction, will have their cleaning crew out next week to finish the North side of 11-29. Executive Director Picou stated the project was funded with State funds. Executive Director Picou stated by October the entire thing should be opened up.
8. Hurricane Laura - Executive Director Picou stated the airport fared well with only a fabric canopy missing in the West Lot on the side of the terminal. Executive Director Picou stated there was one hangar on the airfield that had some siding come off about thirty feet and that was all. Executive Director Picou stated the Lafayette Airport was very fortunate and a team was sent to Lake Charles. The team was going to be thirteen people then Lake Charles Regional Airport's Manager called and said they hired a professional construction team. Executive Director Picou stated the airport did send a team that consisted of Mark Thibodeaux, Todd Broussard, and Brandon Domingue to assist and they were able to help with taxiway lights and help get things back up and running. Executive Director Picou stated he was in contact with the manager of the Lake Charles Airport and told him another team could be sent if need be. Executive Director Picou stated taxiway lights were ordered for Lake Charles Regional Airport and brought to Lake Charles by the Lafayette team.
9. Media Event – August 20, 2020 - Executive Director Picou stated Commissioner Guilbeau energized the switch to bring air conditioning controls to part of the new terminal building. Executive Director Picou stated the building is not completely air conditioned as the contractor completes areas the air conditioning systems are energized. Executive Director Picou thanked Commissioner Guilbeau for turning the switch on for the new terminal building.

Executive Director Picou stated the 2021 Budget Hearing will be part of the October meeting. Executive Director Picou stated at that time is when the Commission will officially adopt the 2021 Budget. Executive Director Picou stated between this meeting and the October meeting if the Commissioners had any questions, they could refer them to Mrs. Green or himself.

Executive Director stated back to COVID-19, since it impacted the FAA Tower hours, and now the hours of operation are 5:30 a.m. to 10:00 p.m. instead of 5:30 a.m. to 10:30 p.m. Executive Director Picou stated the hours only differentiate by thirty minutes and they will only open later if there are any later flights. Executive Director Picou stated the airport now has better Tower hours to service the airport. The hours had gone down to 8:00 a.m. to 7:00 p.m.
10. Automatic Renewals:
 - Classic Business Products (Terminal Admin Copier) Preventative Maintenance
 - Classic Business Products (LAC Administrative Office Copier) Preventative Maintenance
11. Financials – Executive Director Picou stated the financials were in the Commissioners' packets.
12. Fly Lafayette/Passenger Statistics/Sides & Associates Report - Mr. Callahan stated, in August, there were 17,105 passengers. Mr. Callahan stated this was about 200 passengers less than last month. Mr. Callahan stated given there were two hurricane threats and after talking to Mr. Picou about the passenger counts being low around those times. In comparison to August, LFT has seen 150,375 passengers compared to 353,059 from the same time period last year. Mr. Callahan stated the load factors were lower than last month with American at 51.8%, United at 48.0%, and Delta at 46.1%. Mr. Callahan stated the Fly Lafayette Club has gone from 164 members in 2014 to currently 11,284

members. Mr. Callahan stated there was a drawing with 45 winners out of 135 entries. A list of winners was in the Commissioners' packets.

Chairman Segura stated Executive Director Picou provided him a list of passengers processed in the last week and the week before. Chairman Segura stated it seems the numbers are continuing to increase even though they were down the day of the hurricane. Chairman Segura stated the numbers are starting to hit the mid 300's, 400's, and 500's. Chairman Segura stated he is confident the air travel is coming back.

VI. Scheduled Business - Discussion Items

1. LAC - Budget Amendment - HUB Security - Discussion/Action – Executive Director Picou stated earlier this year, Staff met with Hub Security Enterprises to discuss altering their contract to include covering not only the front of Terminal security services, but also to take over AVCOM Room duties as well. This came about when the Sheriff Department contacted us to increase their contract price by a minimum of \$292,000 to continue providing Airport and Terminal Security, including the AVCOM responsibilities. After discussions, the Sheriff department determined that they would not increase their current contract price of \$563,000 for 2020 if the AVCOM duties would be transferred over to HUB. This would allow their current level of personnel to concentrate on the total Airport Grounds and Terminal responsibilities with no additional increase. Hub took over the additional obligations of the AVCOM and concurring with staff, elevated the front of Terminal Services position as well in order to meet requirements to relieve and back each other up. With a few months of actual expense data, we project that we need a \$170,000 budget amendment for Security Contract Services for the 2020 Budget to cover the additional services HUB is now providing for front of Terminal and AVCOM services. Executive Director Picou stated this was a budget amendment not the LAC asking for more money. Chairman Segura stated this is something that was talked about before with the Sheriff's Department analysis of providing adequate security for us in the terminal and they felt they needed another officer. Chairman Segura stated the solution was to get someone from Hub Security to man the AVCOM Room and be sufficient to the job and this was a more economical way of handling it. Commissioner Guidry asked what the \$170,000 was for, how many months. Mrs. Green, Financial Comptroller, stated the time frame was seven months. Commissioner Guidry asked about the difference in money for a year being more to pay Hub Security than if we would have gone with the Sheriff's Department. Mrs. Green stated in the Budget Backup paperwork the airport was already paying Hub Security \$138,000 a year, \$563,000 to the Sheriff's Department, and \$204,000 to the LEO officer. Mrs. Green stated the \$138,000 that was being paid to Hub is now going to be \$380,000. Mrs. Green stated the Sheriff's Department was going to go from \$563,000 to \$800,000, which was \$192,000 more. Chairman Segura stated the Sheriff's Department was going to go up by \$350,000. Commissioner Guidry stated the packet stated \$292,000 and Mrs. Green stated that was for the rest of this year (7 months).

RESOLUTION - 2020-9-R1-02 LAC - Budget Amendment - HUB Security - Discussion/Action:

MOTION: Commissioner Guidry moved the Lafayette Airport Commission to accept the staff's recommendation to make the Budget Amendment for Hub Security. Commissioner Guilbeau seconded this motion. The vote was as follows:

AYES: Guilbeau, Hebert, Guidry, Pierre, Edmond, Hurd

NAYS: None

ABSENT: None

MOTION CARRIES

VII. Scheduled Business – Consensus Items

1. LAC Ordinance 92-1 "Rates and Charges" Amendment No. 11- Approval

2. Classic Business Products (LAC Security Coordinator Copier) Preventative Maintenance – Approval
3. Cargo Ramp Drain Inlet Repair – Approval Commissioner Guilbeau asked for Mr. Thibodeaux to come up and explain. Executive Director Picou stated this was not Mr. Thibodeaux’s project. Mr. Steve Creamer, RS&H, got up to speak about this item. Commissioner Guilbeau stated it is not just a drain inlet box put in for \$33K. Mr. Creamer stated there is an existing inlet in the existing cargo ramp that is failing and it is currently coned off for safety. Mr. Creamer stated it is coned off to remove the existing inlet and the concrete pavements around it and replace with an airport rated grate. Mr. Creamer stated the look will be significantly different once completed. Commissioner Guilbeau asked if the underground piping was still good. Mr. Creamer stated the underground piping is still good. Chairman Segura asked about the amount of concrete and Mr. Creamer stated the existing concrete needs to be replaced. The area is where the wheel of the UPS plane sits and the plane has been moved to a different area and the inlet area roped off.
4. General Aviation (GA) Infrastructure Project – Substantial Completion – Rudick Company – Approval
5. Taxiway Foxtrot Phase II and Juliet Project – Reject Bid – Approval
6. Taxiway Foxtrot Phase II and Juliet Project – Authorization to Re-Bid – Approval
7. 2021-2026 Capital Improvement Program – Approval Commissioner Guidry would like to understand the process on how these projects were determined. Executive Director Picou stated the Capital Improvement Program is required by the FAA for the airport to receive funding; it is completed in a five-year look ahead. These are place holders at that point. Executive Director Picou stated the first two years are likely actual projects and the runway environment gets the highest priority from the FAA. Executive Director Picou stated as the projects move away from the runway the priorities get less and less by the FAA. Executive Director Picou went over a few items off of the CIP as examples of upcoming projects and their priorities. Commissioner Guidry asked if the Commission was given the opportunity to contribute ideas for this. Executive Director Picou stated the Commission has not provided ideas and in the past. Executive Director Picou stated these are FAA funds and State. Commissioner Guidry stated the word “entitlement” gets used a lot in CBRE|Heery’s report. Commissioner Guidry wanted to know what the airport was entitled to. Executive Director Picou stated the airport was entitled to \$2M for the size of this airport. Commissioner Guidry asked if every airport in the United States is entitled to some money. Executive Director Picou stated not every airport gets entitlement money. The FAA usually does not support small General Aviation airports, but they are entitled to State money. Commissioner Guidry asked questions about the CIP and tried to understand the layout of the columns and where the money goes such as AIP, construction of terminal for three years (2021 complete and 2022 opening), ARFF is fire department with truck replacement (which the airport owns the building, trucks, and equipment but not the workers they are contracted out). Commissioner Guidry stated there is a typographical error on the following page stating self-imposed city tax to raise \$34M for the terminal and it should be parish tax. Commissioner Guidry asked what the Master Plan includes. Executive Director Picou stated they look at everything from land use, traffic, passengers, minimum standards, development of surrounding properties, airport property, and noise. These items help guide an airport for the next five to ten years. Commissioner Guidry asked if there was anyone local that could prepare a Master Plan and Executive Director Picou stated he wasn’t aware of anyone local. Executive Director Picou stated there were firms in the audience that could help with one that also includes local partners. Executive Director Picou stated there are some Louisiana firms that could complete a Master Plan, but he wasn’t aware of any in the Lafayette area. Commissioner Guidry asked along with local firms could CPAs be involved and Executive Director Picou stated the information needed would come from the airport’s audit and not from a CPA.
8. Construct Terminal Phase IV – State DOTD - Acceptance of LADOTD Grant for Project H.013781 – Ratify Chairman’s Action – Approval

9. Reconstruct Apron - Phase II – FAA and State DOTD - Acceptance of Grant AIP 55 – Ratify Chairman’s Action - Approval
10. Construct Terminal Building-Phase VI – FAA and State DOTD - Acceptance of Grant AIP 57 – Ratify Chairman’s Action - Approval
11. Extend Taxiway Foxtrot – FAA and State DOTD - Acceptance of Grant AIP 58 – Ratify Chairman’s Action - Approval
12. Reconstruct Apron - FAA Funding - Acceptance of Grant AIP 59 – Ratify Chairman’s Action – Approval

RESOLUTION - #2020-9-R1-03 – Scheduled Business - Consensus Item(s)

MOTION: Commissioner Edmond moved to accept Consensus Items 1 through 12. The motion was seconded by Commissioner Guilbeau and the vote was as follows:

AYES: Guilbeau, Hebert, Guidry, Pierre, Edmond, Hurd

NAYS: None

ABSENT: None

MOTION CARRIES

VIII. Reports

1. DBE Program Report - *Mrs. Cotton reported the New Terminal Activity and Attainment report was sent to the Commission via email. Mrs. Cotton reported the New Terminal DBE Goal is set at 8.30%, and this month the goal is a slightly below at 8.23%. Mrs. Cotton reported there currently is an open audit, which has an effect on their current goal. The airport prepared a notification for Lemoine-Manhattan's [performance being below the goal and requested they be proactive in additional Good Faith Efforts for additional DBE participation. Mrs. Cotton stated the 2020 Annual DBE Goal update is due to the FAA on October 1, 2020 and it was originally due on August 1, 2020, but due to COVID-19 an extension was granted to all airports. Mrs. Cotton reported an update to the Triannual goal set up for 2019-2021 each year is reviewed and an update is provided to the FAA. Once completed, the airport will send it for advertisement and to the LAC for comments or questions. Mrs. Cotton reported no significant changes from the current goal of 7.79% are expected. Mrs. Cotton reported the airport was scheduling an outreach meeting for any public comments. Lemoine's Projected DBE Commitment is currently at 8.23%, and the Current DBE Attainment based on reported verified payments is at 15.26%. Mrs. Cotton reported SBE updates: the airport was working on an RFP (Request for Proposals) for Tree Removal and Trimming Services for Runway 4R/22L approach ways and it will be advertised in the next two weeks. The SBE goal for that project will be 4.0%. Mrs. Cotton stated for Title VI, the LAC has closed out one claim in the FAA system for 2020, and currently there are two contractor claims out there. Mrs. Cotton reported one claim has been closed out and the second one is being worked on at this time. Commissioner Edmond asked if the current DBE goal was 7.75% and Mrs. Cotton stated it was 7.79%. Commissioner Edmond asked if any information like Prompt Payments could be put on the airport's website. Mrs. Cotton deferred that question and Executive Director Picou stated that question was posed to the airport. Executive Director Picou stated research was done on putting prompt payment on the airport's website and Mrs. Cotton did some research, the airport referred to Legal Counsel, and the airport conferred with the FAA. Executive Director Picou stated in the research no other airport in Louisiana has that information publicly on their website. Executive Director Picou stated anyone could request the information in a public request and the information would be shared with them as the requests come in. Executive Director Picou stated the airport is currently compliant with the program and putting information out there is not against the rules, however, the concern for the airport would be to be aware of some confidentiality rules. Executive Director Picou stated it is in the best interest of the airport if information was not put on the website. Executive Director Picou stated after consulting with legal it is recommended not to have the information put on the web. It would be a layer of protection for the airport and information could be redacted if necessary, for confidentiality reasons and not put on the web. Mr. Oats, Legal Counsel, stated the airport can put*

whatever they want on their website, but it is not recommended to put certain information on the airport's website. Any request could be sent in and information could be given out. Commissioner Edmond stated so anyone requesting information on prompt payments could send in a request. Executive Director Picou stated a request in writing through the airport's website under "Contact Us" tab could make a request and the information will be provided. Commissioner Pierre asked who didn't meet their DBE goal. Mrs. Cotton stated it was Lemoine-Manhattan that had a goal lower than their projected goal. There is an open audit that could affect their goal and it could change after the audit. Commissioner Pierre asked for updates on the goal and Mrs. Cotton stated every month there is an update she sends out.

2. Terminal Program Report –Executive Director Picou stated as of current for this fiscal year the airport received \$37 million from FAA. Executive Director Picou stated Mr. Groh is part of the team along with Brad Kutichins and George Groh that made it happen by finding all sources of funding for the terminal. Ms. Zaunbrecher, CBRE|Heery gave a non-electronic presentation on the terminal program. Mr. Groh stated the airport is working with the FAA to coordinate the recently announced funding and grants. Mr. Groh stated that with DOTD the 2021 CIP (Capital Improvement Plan) will be submitted. Mr. Groh stated the airport requested approval on Group 3 packages from FP&C. Mr. Groh stated the Bond Commission should vote by the end of November time frame for the remaining funds. Mr. Groh stated with EDA the airport is working with Acadiana Planning Commission. Mr. Groh showed a bar graph showing the outstanding funding, in which the only change is waiting on the FAA Discretionary funds. Mr. Groh made a mention towards Commissioner Guidry for him asking about the CIP and the green bars are monies waiting to be paid back to the airport from the FAA. The funds will be paid back over the next couple of years to repay what the airport has put upfront. Mr. Groh stated the red bar is about \$2.5 million is the remaining money owed to the airport and it will be funded by the Bond Commission. Mr. Chris Groh, stated nothing would have been possible without the tax money that started the terminal fund as a base. Ms. Zaunbrecher gave an update on the work completed on the airport property. Commissioner Guilbeau asked on the footings where bolts are rusted on the steel structure on the overhang. Travis Priour, Lemoine-Manhattan, asked if the curb inside steel construction was what was being referred to. Commissioner Guidry stated Commissioner Guilbeau was referring to the concrete columns that then become steel columns and the connections for the steel to the concrete (bolts come out the column). Commissioner Guilbeau stated if the bolts keep rusting over time it would not be sufficient. Executive Director Picou stated he will get with Lemoine-Manhattan and get an answer on the bolts. Commissioner Guilbeau asked if the money Executive Director Picou referred to was in 2020. Executive Director Picou stated the \$37 million was in the FAA's fiscal year not the airport's year, so it will go into October. Commissioner Hurd asked if the \$37 million was one year and Executive Director Picou stated it was more than one year and Chairman Segura stated the amounts came in different increments. Ms. Zaunbrecher stated she was awaiting updated drone photos of the work on the terminal building. Ms. Zaunbrecher stated the big news for the month was the terminal was fully funded. Ms. Zaunbrecher showed pictures of the inside of the terminal of the rotunda and exterior photos of the parking areas and pavement. Ms. Zaunbrecher gave an update on the FP&C packages that were on schedule for work with construction or pre-construction.
3. LFT Airport Monthly Fiscal Review (August) — Report available on airport website www.lftairport.com. Executive Director Picou stated Fiscal Review is in the Commissioners' packets for their review.

IX. Other Business: None

X. Adjourn (6:42:00)

RESOLUTION - #2020-9-R1-04 – Adjourn

MOTION: Commissioner Pierre made a motion to Adjourn. The motion was seconded by Commissioner Edmond and the vote was as follows:

AYES: Guilbeau, Hebert, Guidry, Pierre, Edmond, Hurd

NAYS: None

ABSENT: None
MOTION CARRIES

A recorded copy of the Minutes of the Regular Meeting can be obtained by contacting the Lafayette Airport Commission, 222 Tower Drive, Lafayette, LA 70508. 337.266.4401.