

Lafayette Airport Commission Internal Affairs Committee Meeting January 23, 2018

Internal Affairs Committee:

Chairman:	Bryan Tabor
Vice Chairman:	John Hebert
Member:	Paul Guilbeau
Member:	Paul Segura (Alternate)
Ex-Officio Member:	Valerie C. Garrett

Absent:
Valerie C. Garrett (Ex-Officio Member)

Also Present:

Steven Picou – Executive Director
Daniel Elsea – Deputy Director
Catina Theriot – Secretary
Robert Callahan – Sides and Associates
Jon Pope – Heery
George Groh – Heery/Kutchins & Groh
Jerry Osborne – Foley & Judell, LLP
Lee Bressler – Raymond James
June Picard – Home Bank
Gary Broussard – Home Bank

This meeting was recorded and is on file and available for review in the Lafayette Airport Commission office.

At 4:00 p.m., with four (4) Commissioners in attendance Commissioner Tabor called the Lafayette Airport Commission Internal Affairs' Committee to order. The Pledge of Allegiance was recited by all.

Scheduled Business – Discussion Items

Item 1: Terminal Development Short Term Funding – Proposals

a. Home Bank

b. Raymond James Capital Funding, Inc.

Item 2: Executive Director – Annual Evaluation

[Discussion]

Chairman Tabor opened up the discussion for Home Bank proposal. Commissioner Guilbeau stated the two proposals have expiration dates and/or have expired. Commissioner Guilbeau asked if Home Bank could address the Committee and say whether the proposal could be extended or if the proposal would change. Mr. Gary Broussard, Home Bank, stated the commitment letter has expired but the commitment of the rate can be extended. Home Bank

would ask the loan be closed by April 30, 2018 and the extension is good until then but to go beyond that date the airport would need to recommit.

Commissioner Hebert asked if staff/Heery could provide an analysis of the funding needs for the airport and the timeframes. Mr. Pope, Heery, stated when the airport is dealing with Federal funds it depends on different things and the graph was put together to show the anticipated commitments would be from a contractual standpoint. Mr. Groh, Heery/Kutchins & Groh, went over the different proposed funding sources presented to the committee. Mr. Groh explained the difference between FAA Entitlement money and Discretionary money. Mr. Groh explained the rental car facility is the project coming up and will cost \$10M and has its own revenue source. There is a \$5 charge per transaction currently and at the airport's discretion it can go up or down depending on when the airport would like the debt paid. Executive Director Picou stated to answer Commissioner Hebert if this will be enough to take care of what the airport needs is hard to answer due to the fact the various funding sources are not foreseen to be available or not be available. Commissioner Hebert asked why is the airport not seeking other proposals and only accepting the two presented. Executive Director Picou stated he went with the direction he received to go to Home bank first since they are the airport's Fiscal Agent and the second Raymond James has a relationship with the airport and came to the airport without solicitation from the airport. Mr. Bressler, Raymond James, stated the proposal presented has since expired and has a floating rate. Mr. Bressler stated the proposal can be updated and if the airport wants to go with something locally then the proposal is left expired. The discussion went back and forth about the cost of the rental car project and if the airport would consider using its fixed fund of \$7M and getting the \$3M from the terminal project fund. The other option would be to borrow the funds from the CFC collections. Mrs. Picard, Home Bank, stated the proposal presented is a line of credit which doesn't require the full \$8M to be used and there is an attractive fixed rate.

MOTION: Commissioner Guilbeau made a motion that a recommendation be made to the full Commission that the airport self-finance the rental car facility and in the fall the airport reengage the professional to see how much money is needed of other projects. Commissioner Hebert did not agree with just self-financing with no borrowing. Commissioner Guilbeau motion dies for lack of a second motion.

MOTION: Commissioner Hebert made a motion to recommend to the full Commission that the airport makes the best effort to self-finance the QTA and any borrowing needs that the airport would foresee would be put out for public competitive proposal at a later date. Commissioner Guilbeau seconded this motion and the vote was as follows:

AYES: Hebert, Guilbeau, Tabor

NAYS: None

ABSENT: None

MOTION CARRIES

Executive Director Picou asked what is Commissioner Hebert's idea of best effort on the airport self-financing. Commissioner Guilbeau stated a discussion could happen between the two or have Executive Director Picou come up with a recommendation to the Commission.

Chairman Tabor asked if Raymond James needed to be discussed and Commissioner Guilbeau stated it was taken care of in the motion.

Mr. Bressler, Raymond James, stated he wanted the Committee to keep in mind when going out for proposals for financing to have the proposal out 90 to 120 days prior.

Item 2: Executive Director – Annual Evaluation

Commissioner Guilbeau stated according to policy the time to do the evaluation is now which is forty-five (45) days prior. Chairman Tabor asked Mrs. Theriot, Secretary, to send out the new policy to all the Commissioners. Commissioner Hebert stated the process needs to get started as per the policy.

Other Business- Executive Director Picou stated he learned from The Picard Group there was a leak from the White House regarding financing. Under the Trump Administration it has to be approved by Congress and the airport is heading in the way the Trump Administration would like it to go. The airport is bringing money to the table referencing infrastructure.

MOTION: Adjourn

Commissioner Guilbeau moved to adjourn the Internal Affairs Meeting of January 23, 2018. Commissioner Hebert seconded the motion.

AYES: Guilbeau, Hebert, Tabor

NAYS: None

ABSENT: None

MOTION CARRIES

The meeting Adjourned at 4:37 p.m.