

Lafayette Airport Commission Internal Affairs Committee Meeting August 29, 2019

Internal Affairs Committee:

Chairman:	Bryan Tabor
Vice Chairman:	John Hebert
Member:	Paul A. Guilbeau
Member:	Coy Watson (Alternate)
Ex-Officio Member:	Paul Segura

Absent:

Coy Watson (Alternate Member)
Paul Segura (Ex-Officio Member)

Also Present:

Steven Picou – Executive Director
Cindy McDaniel – Receptionist
Robert Callahan -Sides
Brennan Black – Foley & Judell
Jerry Osbourne – Foley & Judell
Shelby Stach _ CBRE|Heery
Daniel Elsea – Deputy Director
Chris Groh – CBRE|Kutchins & Groh
Clyde Gabriel – Kiwanis Southwest
Lee Bressler – Raymond James

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

At 4:04 p.m., with three (3) 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: FAA Entitlement/LADOTD/LAC Funding Options – Discussion/Action – Executive Director Picou stated he would turn the meeting over to Mr. Chris Groh, who would go through a PowerPoint presentation to discuss the three options for funding the terminal.

[Discussion]

Mr. Chris Groh, CBRE|Kutchins & Groh, stated the first slide was presented at the last Commission meeting showing all the funding that the airport has been awarded verses the money the airport has yet to be awarded. Mr. Groh stated he would specifically talk about the Entitlements and LADOTD. Mr. Groh stated under Entitlements the airport has received just over half pledged to the terminal program in three years. The airport has two more years of

Entitlement money the terminal program is waiting on. Mr. Groh stated the LADOTD stated they would commit \$12 million to the terminal program over the course of construction. Mr. Groh stated LADOTD cannot give a grant of \$3 million and the \$12 million pledged was over a course of four years. Mr. Groh stated this is not new money it is money that was budgeted for. Mr. Groh stated LFT was awarded \$2.3 million and it was \$700,000 short of the yearly goal. Mr. Groh stated the airport received so much money last year in federal funds that the LADOTD tried to match. LADOTD stated the \$700,000 would be tacked onto the end of the project. Mr. Groh stated LADOTD is anticipating on meeting their \$3 million commitment by the end of the fiscal year. Commissioner Guilbeau asked how DOTD Aviation is funded. Mr. Groh stated the money comes out of a state trust fund that is funded by fuel tax across the state. Mr. Groh stated the Entitlement money comes from the FAA and is money the airport is expected to budget for every year and assumed to be \$2 million.

Mr. Groh talked about the overall outstanding funding and the funding commitment CMAR is trying to meet is \$14.1 million. Mr. Groh stated this will be GMP committed by late 2019 or early 2020 and that is the purpose of the meeting. Commissioner Hebert asked if the \$14 million will be needed. Mr. Groh stated not at once and Commissioner Hebert asked what the max funding need will be at any given time. Mr. Groh went to the last page of the presentation and explained their broad based assumption. Mr. Groh explained the graph showed cash out the door and where it drops off is where the airport would be receiving grant money. Mr. Groh stated after talking with CMAR the \$14 million needed is to open up the terminal. Commissioner Guilbeau stated the chart showed occupancy in August 2021 and if it was pushed back to January 2022 would it make a difference. Mr. Groh stated the calculation would be estimated time of twenty months divided by \$14 million. Chairman Tabor stated once the building is occupied there will be no more weather delays and this will help stay on track. Mr. Groh stated there are three options and option 1 and 2 are similar where the airport must receive approval from both the Lafayette City Council and the state Bond Commission. Those are political hoops the airport has to go through. Option 1 the airport would work directly with fiscal agent, Home Bank. Option 2 would require an RFP. Option 3 would use airport's funds to underwrite whatever the gap is. Mr. Groh stated this would be the least resistance path going forward and not have to go to the bond commission or city council. Chairman Tabor stated this could be immediate and Mr. Groh agreed.

MOTION: Commissioner Hebert moved to motion the committee recommend to the full Commission that the airport choose option 3 to self-finance. Commissioner Guilbeau seconded this motion and the vote was as follows:

AYES: Tabor, Hebert, Guilbeau

NAYS: None

ABSENT: None

MOTION CARRIES

Other Business- None

MOTION: Adjourn

Commissioner Hebert moved to adjourn the Internal Affairs Meeting of August 29, 2019. Commissioner Guilbeau seconded the motion.

AYES: Tabor, Hebert, Guilbeau

NAYS: None

ABSENT: None

MOTION CARRIES

The meeting Adjourned at 4:20 p.m.