

West Calcasieu Airport Managing Board Meeting Minutes

June 5, 2018

I. Call to order

Chairman Dalton Langford called to order the regular meeting of the West Calcasieu Airport Managing Board at approximately 4:30 p.m. on June 5, 2018, at the offices of Southland Executive Airport, Conference Room, 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:

- ✓ Dalton Langford
- ✓ Don Chamblee
- ✓ Wilmer Dugas
- ✓ R. K. Levens
- ✓ Joe Palermo

(Board Member Dana Keel was absent.)

(Others also present at the meeting were: Tim LaFleur, Darla Perry, Jackson Schrumpf, Chuck Stutes and Sheila Burton.)

V. Approval of minutes of the May 1, 2018 regular monthly meeting

Chairman Dalton Langford entertained a motion to approve the minutes of the May 1, 2018 regular monthly meeting. R. K. Levens made a motion to approve the minutes of the May 1, 2018 regular monthly meeting, 2nd by Wilmer Dugas. No opposition. Motion carried.

VI. Additions/Deletions to Agenda

Airport Director Tim Lafleur asked Chuck Stutes what needed to be added to the agenda. Chuck stated consideration of appropriate action concerning planning of the future T hangar project.

Board Member Joe Palermo asked to add to the agenda discussion regarding payments made by First Flight.

Joe Palermo made a motion to add to the agenda discussion regarding payments made by First Flight and also made a motion to add to the agenda consideration of appropriate action concerning planning of the future T hangar project. Both motions were 2nd by Wilmer Dugas. No opposition. Motion carried.

VII. Discuss and approve Financial Budget for Fiscal Period 7/1/208-6/30/2019

Darla told the Board to look at their packet on the 5th page from the back, at the page titled "Profit and Loss Budget Overview July 2018 through June 2019." Darla explained the Louisiana Legislative Auditor requires before the new fiscal year begins the Board has to vote on the projected budget. Darla projected \$306,000 in fuel sales based on similar sales the prior year; rental income is \$341,250 for First Flight monthly rent; hangar leases that Airport Director Tim Lafleur collects each month are projected at \$102,000 for the new fiscal year; Chennault Grant Revenue, \$300,000. Darla explained the total income is projected at \$1,048,050; and that does not include the head count payments from First Flight. Darla explained she calculates 75% of the sales to get the projected cost of fuel and supplies, and the budgeted amount is \$229,500.

Darla stated that the expenditures are based on past history plus any insurance that changes. Darla briefly went over the types of expenditures the Airport has budgeted with the total amount of expenditures being \$367,664. Darla reported that the LAMP account is doing very well, and she expects it to make some interest income of \$15,600 this coming year. Darla explained the depreciation expense is a non-cash issue, but it has to be reported in the budget. Darla said the depreciation expense happens when you buy a piece of equipment and you write it off over many years.

Darla reported the net income for the projected budget is \$158,686. Darla said she feels like they will actually do better with the head count. R. K. Levens asked how the LAMP account money is invested. Darla explained it is guaranteed certificates of deposit and other interim bank obligations; not stocks, but it can be treasury bonds. Darla said they are paying 1.89 right now.

There was a brief discussion on the Chennault payment. Darla asked for a resolution to approve the budget. Chairman Dalton Langford entertained a motion for a resolution to approve the Projected Financial Budget for Fiscal Period 7/1/208-6/30/2019. Wilmer Dugas made a motion for a resolution to approve the Projected Financial Budget for Fiscal Period 7/1/208-6/30/2019, 2nd by Joe Palermo. No opposition. Motion carried.

VIII. Discussion regarding payments made by First Flight

Darla explained right after the last meeting, First Flight made a payment of \$102,000, which caught them up to the third quarter of 2017. Darla stated that presently they owe for the fourth quarter of 2017 and the first quarter of 2018. Joe Palermo asked the amount owed presently. Darla answered the first invoice is \$67,000; the second invoice is \$63,000. Darla reminded the Board that the contract states they will pay within 30 days after they get paid. Darla said First Flight told her that they are running 60-90 days on their collection. Mr. Palermo voiced his opinion that he feels they should not go over being more than 2 payments behind. Darla said she will be billing the 2nd quarter of 2018 on June 30th. Mr. Palermo suggested sending a letter from the Board laying out that there needs to be payments made when they are due or action may need to be taken. Chairman Dalton suggested that maybe there is an issue due to the tax situation with the School Board. Mr. Palermo stated that the First Flight contract is the greatest deal the airport has ever seen, but the Board needs to be responsible to the public and make sure payments are made when they are due. There was further discussion about the First Flight payments. Darla offered to send a letter to First Flight asking when they thought payment could be made and if there was a problem to come discuss it with the Board to work it out.

Joe Palermo made a motion to allow Darla Perry to send a letter to First Flight inquiring about head count payments as Darla suggested, 2nd by Wilmer Dugas. No opposition. Motion carried.

IX. Director's Report

Director Tim Lafleur told the Board the field trips have been great success. Tim commended Don Chamblee for his help. The next field trips will be in July. Tim said that there was a meeting with the State, and he will let Chuck Stutes elaborate on that in his report. Don Chamblee made a motion to accept the Director's Report as presented, 2nd by R. K. Levens. No opposition. Motion carried.

Wilmer Dugas made a motion to accept the Finance Report presented in written form to the Board, 2nd by Don Chamblee. No opposition. Motion carried.

X. Engineer's Report

Chuck Stutes told the Board he and Tim met with the State Project Manager a few weeks ago at the airport. Chuck said they spent several hours with her going through several projects. With regards to the fuel farm rehab project, Chuck stated she confirmed that she had received the plans and specs even though she hadn't addressed it yet. She told Chuck that the Airport could proceed with that. Chuck said they will begin advertising shortly for the project.

On the T hangar project, the State Project Manager told Chuck that the Airport is on the list. Chuck reminded the Board that this is a DOTD State-only project, no Federal money. The project budget is \$550,000; but the Airport's share is \$20,000. Chuck told

the Board that even though the Airport is on the list, the money is not there yet. The money will possibly be in place in July, but the State Project Manager wants the Airport to advertise for bids in August.

Chuck said relating to Federal projects, there still hasn't been a manager assigned. Chuck said there is a temporary manager that has advised the Airport of the information they are needing to close out the runway rehab and the lighting projects, which is the same information that has been provided to them multiple times. Chuck said they are organizing the information in the format that he has requested and should be sending it soon. Chuck explained that they will be using the entitlement for this year to cover the change-orders that were requested over a year ago. There was a brief discussion about the payments made to the vendors for the two projects that FAA has not reimbursed the Airport for.

Chuck announced that the contractor on the current contract to rehab the taxiway and apron has given him a tentative date of July 16th to begin work. There was a brief discussion about the work that will be done by the contractor.

X(a). Consideration of Appropriate Action Concerning Planning of the Future T Hangar Project

Chuck told the Board that due to what the State Project Manager told him about advertising for bids in August, they need to get started on doing geotechnical, surveying, and all of the things that normally need to be done on the front end of a project. Chuck said they need to start with the preliminary engineering so that once they are told they have the money, they can have a package finished in a few weeks. Chuck says he needs the Board to give authorization to proceed with the preliminary technical and engineering on the T Hangar Project with a cap of \$30,000. Chuck stated that once he gets a notification from Danielle, then he will come back to the Board to do the final engineering. Chuck said that one issue they have to be really careful with is a maintenance building that could be in the way. So it needs to be tied down in the survey to see how the last T hangar can fit. There was a brief discussion about the new T hangar.

Wilmer Dugas made a motion to give authorization to proceed with the preliminary technical and engineering on the T Hangar Project with a cap of \$30,000; 2nd by R. K. Levens. No opposition. Motion carried.

Wilmer Dugas made a motion to accept the Engineer's Report as presented, 2nd by Don Chamblee. No opposition. Motion carried.

XI. Old Business

There was no old business to come before the Board.

XII. New Business

There was no new business to come before the Board.

XIII. Public Comments

Attorney Jackson Schrumpf commented on how good the Profit & Loss Budget Overview looks because sale of fuels plus leases and hangars totals \$408,000; and then the total expenses is \$367,664. Mr. Schrumpf stated that when you add in the Chennault grant, it's more than enough for the cost of fuel and other expenses. Mr. Schrumpf said that that just shows the Airport is doing really well.

Wilmer Dugas thanked Darla Perry for all of her hard work. Joe Palermo thanked Airport Director Tim Lafleur for his work with bringing kids to the airport and doing the field trips. There was a brief discussion on the importance of educating the public about aviation.

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XIV. Chairman's Update

No update given at this time.

XV. Adjourn

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Chairman Langford entertained a motion to adjourn. Wilmer Dugas made a motion to adjourn the meeting, 2nd by Joe Palermo. No opposition. Motion carried. Meeting adjourned at approximately 5:01 p.m.


Chairman


Acting Secretary