

SHREVEPORT AIRPORT AUTHORITY

June 16, 2022

Meeting No. 791-22

The Shreveport Airport Authority regular meeting was called to order by Chairman Oliver Jenkins at 10:00 a.m. in the Conference Room of the Shreveport Airport Authority located at Shreveport Regional Airport.

PRESENT:

Oliver Jenkins
Kay Medlin
Jonathan Reynolds
Waynette Ballengee
Tangela Sylvie

ABSENT:

STAFF:

Stacy Kuba
Mark Crawford
Tiffany Bagley
David Ebarb
Stephen Price
Bruce Hollander
Lisa Clark
Teresa Pierce
Nelda Garza

David Kaplovitz/Danielle Brown – City Attorney’s Office
Emily Horne– Tubreaux Aviation
Jacob Meadows – KSA
Robert Osborne
Greg Atkin - Ailevon Pacific Airline Consulting

Board Member Tangela Sylvie provided the opening prayer. Board Member Waynette Ballengee led the Pledge of Allegiance to the American flag.

PUBLIC COMMENTS: None

Motion was made by Ms. Medlin, seconded by Ms. Ballengee to approve the minutes from the regular meeting held May 24, 2022. Motion passed 5 – 0.

CHAIRMAN’S REPORT:

Mr. Jenkins said that an Airport Police Officer needed to be assigned to the curb when there are flights arriving and/or departing. Due to construction, there are passengers who are blocking the flow of traffic as they pick up passengers. Ms. Medlin said that she had an occasion to fly

Allegiant recently and it was a very pleasant experience, however, she also experienced trouble with the traffic at the curb, and it was frustrating. Mrs. Kuba said that the Operations staff would be assigned to assist the Airport Police with traffic control in front of the terminal until the project was over.

BOARD MEMBER REPORTS: NONE

DIRECTOR'S REPORT – Deputy Director Stacy Kuba was present to provide this report:

Ms. Kuba said the airport staff had met with department heads from the City of Shreveport and had begun working on the Land Use Plan which will develop a path forward on how to best utilize the property that had been purchased from the airport's Part 50 Noise Program.

Airport staff was continuing discussions with the Federal Aviation Administration on the terminal modernization project. Staff planned a trip to the FAA technical center to re-evaluate the position of the new Air Traffic Control Tower this fall and is working closely with the FAA/DOTD partners on the Capital Improvement Plan for the upcoming years to ensure the airport is prepared to compete for funding.

The Louisiana Department of Transportation had awarded the air carrier airports an air service development grant. Mrs. Kuba said this is the first time that a grant like this had been made available. The staff will be applying for the grant for acceptance at the next meeting.

The 2022 Jumpstart Conference was held the week of June 6. Mr. Greg Atkin from Ailevon Pacific Airline Consulting was present in the meeting to give a brief overview of the status of the airline industry and the meetings held with airlines at the conference.

Mr. Atkin comparing the last normal year (2019) to the current state of aviation, it has recovered to about 90% capacity. Shreveport has restored every single market. He said demand was exceeding airline capacity. He said there was a shortage of seats. Mr. Atkins said that approximately 6,000 pilots were offered early retirement in April, 2020 due to the pandemic. There are about 500 aircraft no longer flying today because these pilots took early retirement. Currently a pilot is required to retire at age 65, but he indicated that they were giving consideration to extending that maximum requirement age to 68 years old. He said there are also employee shortages on the ground as well and efforts were being made to improve the situation. Mr. Atkin said the flights were extraordinarily full and the fares were back on the trajectory that they were before the pandemic. Those higher fares are necessary because of the cost of fuel. American Airlines have plans to bring all CRJ 700's or 900's to SHV. There will be no 50-seater R.J. being flown from SHV by American. Allegiant was trying to catch up with the pilot shortage. He predicted at some point they will get back to growing again. He said Southwest Airlines had about 65 aircraft on property that were not being flown and are discussing a plan to get all of those back in the air in the next 18 months. On top of that of they had a number of new aircraft coming. Mr. Atkin said that 2023 will be a year of catch-up, and he predicted that 2024/2025 there would be new carriers looking at smaller service packages. Mr. Atkin said that RASA was a huge economic development tool for Shreveport, but he said keeping the airport costs at a low and competitive level was also very important. He said that SHV needs to pursue

flights to the east because currently there was only ATL and CLT. He said there is a lot of demand for this segment.

- **BUSINESS AND FINANCE REPORT:** Ms. Tiffany Bagley, Business and Finance Manager, provided this report. The overall aging to May 2022 was \$452,132. The revenues for May 2022 in comparison to 2019, revenue was still 20% favorable increase in revenue. The expenses for 2019 were higher than 2022 by 14%. This was due to reduced staffing and reduced interest and sinking fund expenses. There were approximately 35 less team members and reduced contractual services that accounted for the reduced expenses. Revenues were trending up, but the Airport had not yet reached 2019 levels.
- **MARKETING REPORT:** Mr. Mark Crawford was present to give the Marketing Report. Air carrier report showed that the enplanements were down 23.31% over 2019 numbers for the month of May and down 3% over 2021. Mr. Crawford said that RASA started about three weeks before and planned to spend \$350,000 advertising all the way to Tyler in Texas and Hot Springs in Arkansas. The plan is to reach people that may not know that we have non-stop flights to LAX, Destin and Orlando.
- **PROJECTS REPORT:** Ms. Lisa Clark was present to provide this report. Ms. Clark said foundation work was still in progress on the jetbridge at Gate 11 resulting in Allegiant's move to Gate 3. The Terminal Awning Project Phase II and was still in progress. There was an item on the agenda this date concerning the Airport Master Plan project. Ms. Clark provided pictures and updates of some of the projects that were anticipated and/or currently in progress at Regional and Downtown Airports.
- **DOWNTOWN AIRPORT REPORT:** Mr. Bruce Hollander, Manager of Downtown Airport presented this report. He said the SUSLA 727 plane was gone. Downtown Airport had not been updated. Operations activities were down for the month of May. Mr. Hollander said the Sweet Cheezus had done very well there first month after coming under their new lease. Beginning July 11th, they intended to start opening on Monday's.
- **ARFF** – Chief David Ebarb, ARFF, presented this report. Chief Ebarb said that everything was doing well at the ARFF. He said mass casualty burn was planned for October.
- **LEGAL REPORT** – House Bill 319 which was drafted by House Representative Raymond Crews was signed on June 10, 2022. He said in summary this bill requires that at least one of the members of the SAA Board hold a private or commercial pilot's license or be an aviation crew member, effective August 1, 2022. Mr. Kaplovitz said the Board was already in compliance with this legislation. Assistant City Attorney Danielle Brown said that notices of lease termination had been drafted to Downtown Airport tenants whose leases had expired. Most of the tenants were being offered leases of some sort and had 30 to 90 days to respond. Ms. Brown said there would probably be another list of tenants for the Board at the next meeting. Ms. Ballengee requested clarification on what the new legislation stated about future appointments to the SAA Board. Mr. Kaplovitz said that it states that future appointments would be made by the Board rather than the Mayor. The City Charter mandates that the appointments be made by the Mayor and approved by the City Council. Mr. Reynolds wanted to know what happens when you have legislation that conflicts with the City Charter. Mrs. Brown responded that it might require litigation. Mr. Kaplovitz said this was brought to the attention of the House

Committee and it was passed with no amendments. Mr. Reynolds said perhaps that is why it was passed because it is unenforceable. Ms. Medlin said it was subject to challenge.

CONSENT AGENDA: None

DISCUSSION AGENDA

DISCUSSION AGENDA ITEM NO. 1 - TO ENTER INTO SUPPLEMENTAL TASK AGREEMENT NO. 3 WITH KSA ENGINEERS, INC., FOR THE AIRPORT MASTER PLAN AT SHREVEPORT DOWNTOWN AIRPORT In October 2020, the Shreveport Airport Authority entered into a Master Services Agreement with KSA Engineers, Inc., for Airfield Development, which includes the Airport Master Plan for Shreveport Downtown Airport. As a requirement per FAA AC 150/5050-6B, the airport master plan provides a road map for the development of the airport in terms of short- and long-range planning, defines the purpose and need for development projects, and provides an effective graphic representation of anticipated land uses in the vicinity of the airport in support of the Capital Improvement Plan. The Airport Authority has received a proposal for Task Order #3 in the amount of \$516,086.00. Airport staff, FAA and LADOTD have reviewed the proposal and found the fee acceptable. This project is 90% FAA and 10% LADOTD funded. Amount not to exceed: \$ 516,086.00. Management recommended approving this agenda item as presented.

Motion was made by Mr. Reynolds to approve Discussion Agenda Item No. 1, seconded by Ms. Ballengee. Motion passed 5 – 0.

DISCUSSION AGENDA ITEM NO. 2 - TO APPROVE THE REQUEST BY THE NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION TO ENTER INTO A NEW GROUND LEASE AGREEMENT AT SHREVEPORT REGIONAL AIRPORT Management has received a request from the National Oceanic and Atmospheric Administration to enter into a new lease agreement for the property located at 5655 Hollywood Avenue which consists of 5.5 acres. The National Weather Service Next Generation Weather Radar (NEXRAD) facility is located on this space. The current lease expires February 28, 2023. The new lease agreement will commence March 1, 2023 and expire February 28, 2038. This is a no cost lease. Management recommended approval of this agenda item as presented.

Motion was made by Ms. Ballengee to approve Discussion Agenda Item No. 2, seconded by Mr. Reynolds. Motion passed 5 – 0.

DISCUSSION AGENDA ITEM NO. 3 - TO AWARD AND ENTER INTO A CONTRACT WITH KUTCHINS AND GROH, LLC FOR AIRPORT FINANCIAL STRATEGIC PLANNING SERVICES FOR CAPITAL IMPROVEMENTS FOR THE SHREVEPORT AIRPORT AUTHORITY The City of Shreveport's Purchasing Division advertised Request for Proposal (RFP 22-816) for on-call financial consultant services for the Shreveport Airport Authority. The scope of the RFP covers two categories and allows for the Airport to award services to more than one respondent, based on documented

qualifications in the proposals rated against the advertised criteria. Those categories are as follows:

- Category 1- Airport Financial Strategic Planning Services for Capital Improvements which focuses on Capital Improvement planning, extending to developing, obtaining and implementation of project strategies and securing avenues of financing, etc.
- Category 2- Airport Financial Services which focuses on airport rates and charges, optimal return on investments, financial audits, bonds and debt issuance, etc.

On May 17, 2022, RFP 22-816 was publicly opened. Three (3) responsive submissions were received from the following companies:

- TMG Consulting
- Frasca and Associates, LLC
- Kutchins & Groh, LLC

Upon review and scoring of the proposals, the Airport selected to award the contract for Airport Financial Strategic Planning Services for Capital Improvements (Category 1) to Kutchins and Groh, LLC. The initial term of this lease is 3-years with two (2) additional years in one-year increments. Amount: Fees to be negotiated per task
Management recommends approving this agenda item as presented.

Motion was made by Mr. Reynolds to approve Discussion Agenda Item No. 3, seconded by Ms. Medlin. Motion passed 5 – 0.

DISCUSSION AGENDA ITEM NO. 4 - TO AWARD AND ENTER INTO A CONTRACT WITH FRASCA AND ASSOCIATES, LLC FOR AIRPORT FINANCIAL PLANNING SERVICES FOR THE SHREVEPORT AIRPORT AUTHORITY The City of Shreveport's Purchasing Division advertised Request for Proposal (RFP 22-816) for on-call financial consultant services for the Shreveport Airport Authority. The scope of the RFP covers two categories and allows for the Airport to award services to more than one respondent, based on documented qualifications in the proposals rated against the advertised criteria. Those categories are as follows:

- Category 1- Airport Financial Strategic Planning Services for Capital Improvements which focuses on Capital Improvement planning, extending to developing, obtaining and implementation of project strategies and securing avenues of financing, etc.
- Category 2- Airport Financial Services which focuses on airport rates and charges, optimal return on investments, financial audits, bonds and debt issuance, etc.

On May 17, 2022, RFP 22-816 was publicly opened. Three (3) responsive submissions were received from the following companies:

- TMG Consulting
- Frasca and Associates, LLC
- Kutchins & Groh, LLC

Upon review and scoring of the proposals, the Airport selected to award the contract for Airport Financial Services (Category 2) to Frasca and Associates, LLC. The initial term of this lease is 3-years with two (2) additional years in one-year increments. Amount: Fees to be negotiated per task
Management recommended approving this agenda item as presented.

Motion was made by Ms. Medlin to approve Discussion Agenda Item No. 4, seconded by Ms. Sylvie. Motion passed 5 – 0.

DISCUSSION AGENDA ITEM NO. 5 - TO APPROVE CHANGE ORDER NO. 1 TO THE CONTRACT WITH TERRY'S ROOFING AND SHEET METAL, INC., FOR THE TERMINAL AWNING AND ROOF REHABILITATION PROJECT AT SHREVEPORT REGIONAL AIRPORT In July 2021, the Shreveport Airport Authority entered into a contract with Terry's Roofing and Sheet Metal, Inc., for the Terminal Awning and Roof Rehabilitation Project at Shreveport Regional Airport in the amount of \$1,360,050.00. In

June 2022, the Airport Authority request of Terry's Roofing and Sheet Metal, Inc., to deliver a proposal to sandblast and repaint the terminal entrance curb. A proposal in the amount of \$6,100.82 was received and reviewed by Airport staff and was found to be acceptable. This project is 100% Airport funded.

Original Contract Amount: \$ 1,360,050.00

Change Order No. 1 increase: \$ 6,100.82

New contract amount: \$ 1,366,150.82

Management recommended approving this agenda item as presented.

Motion was made by Mr. Reynolds to approve Discussion Agenda Item No. 5, seconded by Ms. Sylvie. Ms. Kuba said this was not included in the initial scope of work. She said that while everything was shut down for the Terminal Awning project, it just made sense to have the curb refurbished as well. Mr. Crawford stated historically this task was completed by an Airport Painter. The position has been advertised but the Airport had no success in filling the position so while this contractor is mobilized it was felt that this task should be added. Mr. Reynolds said upon arriving that morning that he noted a few rust spots. Ms. Kuba responded that there were still many punchlist items that had been identified that the contractor would have to address before completing the project. Motion passed 5 – 0.

DISCUSSION AGENDA ITEM NO. 6 - TO APPROVE A LEASE AGREEMENT WITH THE FEDERAL AVIATION ADMINISTRATION FOR THE CONTRACT WEATHER OBSERVERS' OFFICE SPACE The Federal Aviation Administration leases office space for use by the Contract Weather Observers. Until recently the space was located in the terminal annex building which is attached to the TAC Air facilities and is scheduled to be demolished. The new lease will provide for office space located on the lower level of Concourse B. If approved, the new lease will consist of a 5-year term.

Rental Rate: 277.5 sf at \$16.50 = \$4,578.75 per year

Management recommended approving this agenda item as presented.

Motion was made by Ms. Ballengee to approve Discussion Agenda Item No. 6, seconded by Ms. Medlin. Motion passed 5 – 0.

DISCUSSION AGENDA ITEM NO. 7 - TO AWARD AND ENTER INTO A NEW FOOD, BEVERAGE AND RETAIL CONCESSION AGREEMENT AT SHREVEPORT REGIONAL AIRPORT The City of Shreveport's Purchasing Division advertised a Request for Proposal for the Food, Beverage and Retail Concession at Shreveport Regional Airport. There was one submittal: Tailwind-SHV, LLC. Tailwind has been the airport restaurant and retail operator at Shreveport Regional Airport since November 2011. Shreveport was their sixth location. In the last 10 years, they have expanded all over the United States. They currently operate in 36 airports in 18 states. In their new proposal, it includes a remodeled full-service restaurant and bar in the atrium location, remodeled bar, and grab-and-go restaurant locations on Concourses B & C, as well as a pre-security location at the base of the escalators in the terminal building. The lease will consist of one five-year primary term that will commence on January 1, 2023, and end December 31, 2027, with one five-year option.

Proposed Rent Amount:

Tier 1 – 12% of sales up to \$500,000

Tier 2 – 13% of sales starting at \$500,000.01 and up to \$1,000,000

Tier 3 – 14% for sales \$1,000,000.01 and up to \$2,000,000

Tier 4 – 15% for sales \$2,000,000.01 and over

Management recommended approving this agenda item as presented.

Motion was made by Ms. Medlin to approve Discussion Agenda Item No. 7, seconded by Mr. Reynolds. Mr. Reynolds commended the staff for working with Tailwind over the past year because there had been some improvement in the quality of product received. Motion passed 5 – 0.

DISCUSSION AGENDA ITEM NO. 8 - TO AWARD AND ENTER INTO A CONTRACT WITH BJ FLOORING, INC., FOR REPLACEMENT OF THE CONCOURSE AND HOLD ROOM FLOORING AT SHREVEPORT REGIONAL AIRPORT

The City of Shreveport's Purchasing Division requested bids (IFB 22-031) for the Terminal Flooring at Shreveport Regional Airport. The current flooring in the concourse and hold room areas are 10 years old and is need of replacing. New vinyl plank will be installed on the concourses and new carpeting will go in the hold room areas.

The bids were opened on May 26, 2022. One bid was received as follows:

Company	Bid
B & J Flooring, Inc.	\$201,150.00

The Shreveport Airport Authority has reviewed the bid submittals and recommend awarding the contract to BJ Flooring, Inc., in the amount of \$201,150.00. This project is 100% Airport funded. Amount Not to Exceed: \$201,150.00. Management recommended approving this agenda item as presented.

Motion was made by Ms. Medlin to approve Discussion Agenda Item No. 8, seconded by Ms. Sylvie. Mr. Reynolds said that he had noted there had been a trend there was only one bidder for the RFP's that the Airport advertised. Ms. Kuba said there was a mandatory pre-bid and there were a number of companies that came out. Then there was a secondary pre-bid where we allowed them to come out again. She said this bid came in a little lower than what was actually expected. Ms. Kuba said she had talked with some of the other airports at the conference that she attended recently and they suggested that the contracts be shared on social media. She said Fair Share is aware of all of these and it had not gained any traction. There followed some discussion about the colors and nature of the flooring to be installed. Motion passed 5 – 0.

There being no further business, the meeting was adjourned.

OLIVER JENKINS, CHAIRMAN

STACY KUBA, SECRETARY