

The England Economic and Industrial Development District met in Regular Session at its regular meeting place, the England Authority Board Room, Building 1803 Arnold Drive, England Industrial Airpark and Community, Alexandria, Louisiana, on Thursday, February 22, 1996, at 4:10 p.m. (Central Standard Time).

There were present: Mr. Jim Meyer, Chairman, Mr. George Thompson, Vice-Chairman, Ms. Bridgett Brown, Mr. Tom Fowler, Mr. Michael Tudor, Mr. H.K. Stanley, Mr. Phillip Terrell, Mr. Barry Hines.

Absent: Mr. Gene Cotton, Secretary/Treasurer, Mr. Kit Provine.

Also present were Mr. Jon Grafton, Executive Director, members of the England Authority staff, legal counsel, members of the public, press and media.

Mr. Jim Meyer gave the invocation and led the Pledge of Allegiance.

The England Economic and Industrial Development District was duly convened as the governing authority of said District by Mr. Jim Meyer, Chairman, who then stated that the England Economic and Industrial Development District was ready for the transaction of business.

ADOPT MINUTES.

Motion made by Ms. Brown, seconded by Mr. Terrell to approve the Minutes of January 25, 1996 Board of Commissioners Meeting. On vote, motion carried. **0014-1996**

APPROVE PAYMENT OF ATTORNEY'S BILL.

Motion by Ms. Brown, seconded by Mr. Terrell to approve payment of attorney's bill for the month of January, 1996. On vote, motion carried. **0015-1996**

AUTHORIZING ISSUANCE OF TAXABLE REVENUE BONDS.

Motion by Ms. Brown, seconded by Mr. Thompson authorizing awarding not exceeding \$20,000,000 England Economic and Industrial Development District Taxable Bonds (Boise Cascade Corporation Project) Series 1996; awarding the Bonds to the purchaser; and providing for other matters in connection therewith. The Chairman requested that a roll call vote be taken.

Meyer	Yes
Thompson	Yes
Terrell	Yes
Brown	Yes
Fowler	Yes
Hines	Yes
Stanley	Yes

Absent: Tudor, Provine, Cotton

On vote, motion carried. **0016-1996**

TEMPORARY USE AGREEMENT BETWEEN EEIDD AND LOEWER LAWN & CYCLE.
Motion by Mr. Thompson, seconded by Ms. Brown to authorize Executive Director to execute temporary use agreement between EEIDD and CHL Enterprises dba Loewer Lawn & cycle for 1 month beginning March 1, 1996 and ending midnight March 31, 1996 for Building #2531. On vote, motion carried. **0017-1996**

F. Executive Director Reports

(a) Mr. Grafton presented his monthly activity reports on Leased Space; 670,000 square feet, Air Operations; 4,000, Minority/Women Owned Business; 33.4 %, Area B Housing; 32 Tenants, LeTig Bayou Rentals; 4, Fuel Sales; 122, 757.

(b) Mr. Joe Slowinski, Director of Administration presented the Financials for the month of January, 1996. He further stated that 51% of fiscal year is within budget.

(c) Mr. Ronnie Hair, Director of Operations presented an abbreviated report on projects. He stated that on Work Task I & II (Overlay Runway & Lighting) work is still progressing favorably. Work Task III(Airport Fencing) 31,000 linear feet has been completed. Mr. Hair stated that he expects this project to be complete in approximately 45 days. Work Task IV(Interim Terminal) will be shown on the tour today. Work Task V (Railway Renovations) is complete. Work Task VI (Street Overlay) work has begun and is progressing very well. He stated that every project is still within budget. Mr. Hair stated that the steel should arrive March 3-9, 1996 for the England Gunsmoke project.

Mr. Grafton concluded his reports by informing the members that he had received the taped segment from CNBC on England. He further stated that information had been sent to different Government officials on the progress of England. Mr. Grafton told members that he had received letters back on the information and that everyone reaffirmed how proud they were of England. He stated that the first actual transfer title of land should happen around March 1, 1996. Mr. Grafton stated that the Air Force is hopeful that all areas will transfer except environmental sensitive areas by the end of this year.

PUBLIC COMMENTS AND QUESTIONS

There being no further business, the meeting adjourned at 4:21 p.m.



Mr. Jim Meyer, Chairman
England Economic & Industrial Development District
Board of Commissioners



Mr. Gene Cotton, Secretary-Treasurer
England Economic & Industrial Development District
Board of Commissioners

The England Economic and Industrial Development District met in Special Session at its regular meeting place, the England Authority Board Room, Building 1803 Arnold Drive, England Industrial Airpark and Community, Alexandria, Louisiana, on Thursday, March 21, 1996, at 4:30 p.m. (Central Standard Time).

There were present: Mr. Jim Meyer, Chairman, Mr. George Thompson, Vice-Chairman, Mr. Gene Cotton, Secretary/Treasurer, Mr. Phillip Terrell, Mr. Tom Fowler, Mr. Barry Hines, Mr. Kit Provine, Mr. Michael Tudor.
Absent: Ms. Bridgett Brown, Mr. H.K. Stanley.

Also present were: Sen. Noble Ellington, Sen. B.G. Dyess, Rep. Randy Wiggins, Mr. Joe Fuller, RPPJ, Mr. Harman Belgard, RPPJ, Mr. Richard Billings, Pres. RPPJ, Mr. Rock Frazier, Crest Air, Mr. Skip Thigpen, President, England Jet Center, Mr. Frank Rice, President, Pride Intl. L.L.C., Mr. Lavergne Perry, Mr. Charles Stewart, Mr. Brian Cespiva, Mr. & Mrs. Bill Hathorn, members of the England Authority staff, legal counsel, members of the public, press and media.

Mr. Jim Meyer gave the invocation and led the Pledge of Allegiance.

The England Economic and Industrial Development District was duly convened as the governing authority of said District by Mr. Jim Meyer, Chairman, who then stated that the England Economic and Industrial Development District was ready for the transaction of business.

TRANSFERRING OWNERSHIP OF PERSONAL PROPERTY.

Motion by Mr. Cotton, seconded by Mr. Hines authorizing Chairman to sign documents transferring ownership of personal property from United States Air Force to England Economic & Industrial Development District. On vote, motion carried. **0018-1996**

AUTHORIZE LEASE AGREEMENT WITH U.S. ARMY CORPS OF ENGINEERS.

Motion by Mr. Hines, seconded by Mr. Fowler authorizing the Executive Director to execute lease agreement with U.S. Army Corps of Engineers for leases of Building #1905, 2107, 2108, 2316, 2317 from April 12-24, 1996. On vote, motion carried. **0019-1996**

REPORT CONCERNING PROPOSED NEW FBO AT ALEX. INTL. AIRPORT.

In the absence of Mr. Jon Grafton, Executive Director, Mr. Sammy Bonnette, Director of Economic Development read the following memorandum written by the Director.

RE: Request by Crest Air to Conduct Into-plane Fueling at AEX

I regret that I am not able to deliver this report personally. In my absence, Mr. Bonnette and Mr. Provosty will deliver whatever supplementary information may be required by the Board.

A. RECITATION OF FACTS

1. Crest Air entered into a lease with the England Authority on July 31, 1993.
2. On March 9, 1994, Crest Air requested early termination of building lease. The lease was terminated effective March 31, 1994.

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3. Ownership of Crest Air changed on January 31, 1994, Susan Hathorn, daughter of Marilyn Wellan, purchased 100% of the stock.
4. Crest Air submitted a bid for DIA fuel contract at AEX on November 28, 1995.
5. Crest Air made its first telephone contact with the Authority on December 8, 1995. In that conversation, Ms. Hathorn, on behalf of Crest Air, advised Sammy Bonnette that it was interested in renting a fuel tank "for the temporary storage of fuel." Mr. Bonnette stated that there were fuel tanks available but that if the Crest Air plan included into-plane fuel services, it must be a full service FBO. It was in this telephone conversation that Crest Air advised it had submitted a bid for the "Defense Fuel Contract at AIA".
6. The first written correspondence from Crest Air was received on December 14, 1995. In that letter, which was drafted as a written memorialization of the December 8, 1995 phone call, Ms. Hathorn acknowledged that Crest Air understood that "only an FBO may pump fuel into-plane on the airport". Additionally, Ms. Hathorn specifically wrote "In the event we are the low bidder and win the contract, Crest Air will then wish to negotiate a lease with you and serve the airport as an FBO... Until that time, we have no need for a long term lease with the Authority, but only a temporary rental of a fuel tank."
7. On December 20, 1995, Sammy Bonnette responded to the December 14 letter confirming the availability of fuel tanks in the fuel farm, but that he did not know the condition of the tanks or whether they were suitable for storage purposes. He also informed Crest Air that he could not recommend a short-term lease of a fuel tank and vehicle parking space. He concluded by stating that if Crest Air was interested in operating a full-service FBO, he would be pleased to arrange a meeting to discuss the leasing of facilities.
8. During January and February, numerous written and oral communications and meetings were held between the parties.
9. On March 1, the Authority was notified by Crest Air that it had been awarded the DLA contract.
10. In a letter dated March 4, Crest Air requested "an immediate lease to operate a full-service FBO at AIA and a special meeting of the Board to approve the lease."

I acknowledged and responded to the March 4 letter in a letter dated March 8. In my letter, among other things, I advised Crest Air that its predecessor in title, the first FBO at AEX, helped develop the criteria governing the minimum level and scope of services that must be offered to the general aviation community by an FBO or anyone desiring to sell aviation products at AEX. I also informed Crest Air that the minimum service requirements were contained in the existing FBO lease and that I could not unilaterally reduce these requirements without Board authorization and without breaching contractual obligations in the existing FBO. I then stated that (1) based on the limited pertinent information provided to date by Crest Air, i.e., (a) Crest Air had not provided a Business Plan which detailed what services and operations it planned to provide on the ground at AEX and (b) Crest Air had not identified a specific building out of which it planned to operate; (2) the time frame in which Crest Air wished to commence operations at AEX, i.e., April 1, 1996; (3) current space availability on the flight line; and (4) my consultations with the staff, it did not appear that an arrangement could be constructed that would allow Crest Air to offer the required minimum services at AEX to be able to offer into-plane fuel services. I closed the letter by offering to meet at a mutually convenient date to discuss any new proposal Crest Air may have to overcome the situation that mandated my recommendations.

12. On March 12, Crest Air delivered a Business Plan to the Authority.
13. On March 14, 1996, Crest Air informed the Authority by letter, for first time, of the identity of the building it wished to lease. The building identified is Building 820, located on the north ramp on the ISB side of the INS hangar.
14. Following receipt of this information, my staff and I performed an analysis of the information.
15. A meeting with Crest Air was scheduled and held yesterday, March 20.

B. INFORMATION AFFECTING REPORT CONCLUSION

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1. The England Authority has the right to adopt minimum qualifications for a fixed base operator to qualify for into-plane fueling. Legal counsel will speak to this in his report.
2. The England Authority has contractual obligations with the existing FBO based on those minimum qualifications. Legal counsel will detail the legal obligations in his report.
3. The England Authority has completed the air side planning portion of the airport master plan.
4. There is no hangar space immediately available at AEX.

C. EXECUTIVE DIRECTOR FINDINGS AND RECOMMENDATIONS

1. After receiving the report from staff and counsel on March 20, 1996 of the meeting between the Authority and Crest Air, I believe all minimum requirements, excepting hangar/operational site requirements, can be met by Crest Air.
2. There are no hangars available at AEX, thus new construction will be mandated to meet the minimum requirements called for by the minimum services requirements of an FBO. Based on existing leases and air side land planning, there is only one site that meets land use needs of the Authority and the footprint required by Crest Air. I refer to this as Site A. To meet the operational needs of AEX, the redevelopment needs of England Air Park and to meet the minimum requirements for a full service FBO, Crest Air must build, at its own expense, on Site A, a hangar space of no less than 20,000 square feet, with attached offices of between 5,000 - 7,000 square feet. Before any lease can be negotiated, the terms for the transfer of ownership to the Authority of the improvements constructed by Crest Air must be negotiated and made a part of either the lease or some other legal document. Finally, prior to any lease negotiations, the construction and design plans for the FBO operations facilities must be negotiated.

D. CONCLUSION

Absent Crest Air's agreement to the above basic principles, there is no need for the Authority to incur further costs by entering negotiations on a detailed lease.

I learned last night after speaking with legal counsel about the earlier meeting with Crest Air, that Crest Air will reject the recommendation I have just made. I learned this morning in a telephone conversation that Crest Air may make a request that it be allowed to lease the jet engine shop and operate its FBO out of that facility.

The jet engine facility is not suitable for fixed base operator for the following:

1. The land use plan for AEX identifies sites for new hangars. This is not such a site. It is identified for aeronautical manufacturing.
2. The building is configured, finished out and equipped for a "higher use" than as an FBO.
3. England already landed one prospect for this building which did not materialize due to no fault of England (Rolls Royce). England presently has five (5) different prospects for this building. The jet engine facility is the one shot England has to get into the aircraft power plant business with existing infrastructure. Replication of that infrastructure at another location, if one could be found, would cost an estimated \$4,000,000. Add to that sum the reconstruction of the jet engine test cell and a power plant facility will run to approximately \$6,000,000 to \$7,000,000. With the initial infrastructure numbers being this large, it is extremely difficult to offer a prospect for a jet engine shop the kind of attractive deal that will allow this type of business to locate at England Airpark.
4. It is unknown at this time whether, from an engineering standpoint, the jet engine facility can be modified to be suitable as a hangar facility.
5. The parking and tie-down of civilian aircraft in front of the jet engine facility will negatively impact the free flow of aircraft to the interim commercial terminal. Further, security concerns will be raised by civilian aircraft immediately adjacent to a "sterile" security area.

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After the Executive Director's Report was read by Mr. Bonnette, Mr. Provosty presented an oral report to the Board concerning the matter under discussion.

After receiving the above reports, a motion was offered by Mr. Gene Cotton, seconded by Mr. George Thompson to accept the Executive Director and Legal Counsel's Report concerning proposed new FBO at Alexandria International Airport, deny Building #2102 as a hangar, and authorize staff to conduct immediate negotiation for Site A. The Chairman called for any discussion.

The Chairman recognized representatives for Crest Air, England Jet Center, Sen. Noble Ellington. Mr. Tudor moved the previous question. By unanimous vote the question was moved.

The Chairman called for a vote on the main motion with the following responses recorded:

Mr. Meyer	Abstain
Mr. Thompson	Yea
Mr. Cotton	Yea
Mr. Terrell	Nay
Mr. Fowler	Yea
Mr. Hines	Yea
Mr. Provine	Yea
Mr. Tudor	Yea

On vote, motion carried. 0020-1996

PUBLIC COMMENTS AND QUESTIONS

Mr. Robert Wagner, Executive Director- Kisatchie Delta Regional presented a one page synopsis on the recent trip to Mobile to the Board members, as requested by Mr. Grafton. He stated that the delegation was highly impressed with the Incubator Study presently that they are operating. He also informed the Board that at next week's meeting a recommendation to the Board will be made to begin negotiating a contract. He stated that hopefully a decision can be made to meet the target date of April 1, 1996, thereby giving the firm April, May and June to conduct the study and have this task completed by the end of the year.

There being no further business, the meeting adjourned at 6:15 p.m.



Mr. Jim Meyer, Chairman
*England Economic & Industrial Development District
Board of Commissioners*



Mr. Gene Cotton, Secretary-Treasurer
England Economic & Industrial Development District