

**FOR IMMEDIATE RELEASE:**

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**City, New Orleans Aviation Board Secures \$35 Million in Additional Funding  
for New Terminal Construction Project**

*Funding includes \$20.3 Million FAA Grant; Allows Airport to Add New Features; Opening Date Adjusted*

**NEW ORLEANS** – Today, the City of New Orleans and the New Orleans Aviation Board announced that it has secured an additional \$35 million in funding for the new 35-gate replacement airport terminal currently under construction at the Louis Armstrong New Orleans International Airport (MSY). The \$35 million increase includes a \$20.3 million airport infrastructure grant from the Federal Aviation Administration (FAA), as part of its Airport Improvement Program (AIP) for airports across the United States. This brings the total cost for the new terminal construction project—which will deliver a completely new, state-of-the-art airport facility to the Greater New Orleans region—from \$993.7 million to \$1.029 billion.

The terminal construction project is currently over 75% complete, and the new funding sources will allow the Airport to add new features into the project that will further enhance the operations for airlines and passengers, support continued coordination with architectural designers as the project approaches completion, increase the level of funds set aside for any necessary changes yet to be identified, and cover costs to address issues the contractors have come across in the construction process—which is common with any major construction project.

The Airport's contractors, Hunt-Gibbs-Boh-Metro Joint Venture (HGBM), announced today at the New Orleans Aviation Board meeting that they are currently addressing an issue with settlement of a sewer line that requires an adjustment to the construction schedule. Because a functional sewer line is necessary for the facility to be completely operational, the Board approved a new plan to open the terminal to the public on May 15, 2019, instead of the previously scheduled date in February 2019.

“Our new world-class airport terminal will be a game changer for our great City and the region,” said **New Orleans Mayor LaToya Cantrell**. “My priority is to ensure the new airport meets and exceeds the needs of our residents, our regional neighbors, and our visitors when it opens next year. I commend the Aviation Board leadership for proactively securing additional funds and responding to new circumstances. The impact this will have on our future makes it crucial that we get this right, enabling us to fully leverage the federal, state and private dollars that make this opportunity possible.”

Announced in April 2013, the new terminal has been under construction on the north side of the airport property since January 2016. Once complete, all airlines, concessions and other airport operations will move to the new terminal. The project is creating thousands of new construction jobs and significant opportunities for local businesses and disadvantaged business enterprises (DBEs) in the region. In total, the approximately 972,000 square-foot terminal will feature three concourses, 35 gates, a new short term, long term parking garage and surface parking lot next to the terminal plus an economy garage with shuttle service. It will also feature modern passenger conveniences like a consolidated checkpoint where passengers will have access to over 40 different food, beverage, news, gift and specialty retail concessions once they are beyond security. The current facility will be redeveloped. A land use study is currently underway to determine the highest and best use for that part of the Airport's property.

Based on an economic impact study by Timothy Ryan, Ph.D., the airport's economic impact will increase approximately 20 percent in the next six years. When the new terminal is open, MSY will support more than 64,000 jobs, \$6.4 billion in local spending, and \$2.4 billion in local earnings.

**NOAB Chairperson Cheryl Teamer** said, “We are building an airport terminal that this community will benefit from for generations to come. Over the last decade, we have reformed the New Orleans Aviation Board making the operation more efficient and attractive to airlines, and putting a system of governance in place that allows us to make timely and informed decisions impacting this major economic driver. I’m grateful to our experienced team of contractors and other professionals for identifying and finding solutions to issues before they become more costly and cumbersome in the future.”

**NOAB Aviation Director Kevin Dolliole** said, “It’s not every day that a project of this magnitude comes along in this country, and no city deserves a top-of-the-line new airport facility like New Orleans does. That’s why, as we enter the final phase of construction, we are diligently evaluating the project to maximize our use of resources and ensuring the proper checks and balances are in place. I’m pleased that we have a fully funded program that allows us add in features that will benefit the traveling public in the long run while maintaining affordable costs for the airlines.”

### **New Project Features**

From the beginning, the new terminal was designed with flexibility to allow the airport to adapt as quickly as needed to meet the changing demands of the aviation industry. With part of the new funding sources identified, the Airport is now extending the secured corridor that connects passengers arriving from international flights to the U.S. Customs and Border Protection screening area. With this infrastructure in place, the Airport will have the ability to support future growth in international flights as market demand dictates with a total of 5 passenger gates. The Airport is also extending the canopy over the arrivals curb area on the outside of the building, providing more coverage for passengers standing outside.

### **New Funding Sources**

While the majority of the \$1.029 billion project cost is backed by the Airport’s 15 airlines through their lease agreement with the Airport, the new funding sources come at no additional costs to the airlines or the community. The \$20.3 million FAA grant will cover the costs associated with expanding the existing apron area where aircraft park, load and unload. This will free up funds previously earmarked for that part of the project, and allow the Airport to find another appropriate use for them. Other new funding sources include a 10% match for the FAA grant from the State of Louisiana Aviation Trust Fund, additional funds from the Transportation Security Agency (TSA) Electronic Baggage Screening Program, Airport capital funds if needed, and other funds made available as a result of changes or new developments in the program.

### **Sewer Line Issue**

HGBM discovered that the terminal’s main sewer line was sagging during a camera inspection in June before it was closed up and paved over. The sag in the sewer line compromises the gravity flow of waste from the entire terminal facility. Upon discovering this issue, HGBM immediately began working on a solution with the Airport’s design team and project management team. The New Orleans Aviation Board was notified of the issue with the sewer line at its July board meeting where it approved an emergency change order to quickly address this matter. The contractor has now finalized a solution that includes the installation of a force main sewer line with lift stations costing \$7.5 million. The contractor will complete the installation by April 30, 2019, and the terminal will open to the public on May 15, 2019.

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