

THE NON-FLOOD PROTECTION ASSET MANAGEMENT AUTHORITY
MINUTES OF THE FULL BOARD MEETING
THURSDAY, JULY 21, 2011 – 5:30 P.M.

The regular monthly meeting of the Board of the Non-Flood Protection Asset Management Authority of the Orleans Levee District was held on Thursday, July 21, 2011 at 5:30 P.M., in the Lake Vista Community Center, 2nd Floor, 6500 Spanish Fort Blvd., New Orleans, Louisiana after due legal notice of the meeting was sent to each Board member, the news media, and a copy of the call was posted.

Commissioner Hoffman called the meeting to order at 5:33 p.m. and led in the Pledge of Allegiance.

The roll was called and a quorum was present.

PRESENT:

Commissioner Darrel Saizan
Commissioner Wilma Heaton
Commissioner Stanley Brien
Commissioner William Hoffman
Commissioner Patrick DeRouen
Commissioner Carlton Dufrechou
Commissioner Michael Bridges

ABSENT:

Chairman Robert E. Smith Lupo
Vice Chairman Joe Hassinger
Secretary Greg Ernst
Commissioner John B. Trask
Commissioner Pearl Cantrelle
Commissioner Romona Baudy

STAFF:

Louis Capo, Executive Director
Sharon Martiny, Non-Flood
Vincent Caire, Non-Flood
Dawn Wagener, Non-Flood
Fred Pruitt, Airport Director
Charles Dixon, Marina Manager

ALSO PRESENT:

Al Pappalardo
Gerard Metzger
Steve Nelson
Roy Arrigo
Craig Barthold
Walter Baudier
John Davis

ADOPT AGENDA

Commissioner DeRouen offered a motion to adopt the Agenda as printed, seconded by Commissioner Dufrechou and unanimously adopted. Chairman Hoffman requested a motion to hear the informational items first due to a lack of quorum. Commissioner Saizan offered a motion to amend the agenda, seconded by Commissioner Dufrechou and unanimously adopted.

APPROVAL OF PRIOR MINUTES

After arrival of Commissioner Saizan which constituted a quorum, Commissioner Brien offered a motion to approve the minutes of the Board meeting held June 16, 2011 and the special meeting held on July 8, 2011, seconded by Commissioner Saizan and unanimously adopted.

Commissioner Hoffman chaired this meeting in the absence of Chairman Lupo and Vice-Chairman Hassinger, and requested that the informational items be taken first due to a lack of quorum. When a quorum is obtained, the remaining Agenda items will be discussed.

Commissioner Hoffman next addressed a letter received from the New Orleans Neighborhood Association addressed to Robert Lupo, Chairman, Non-Flood Protection Asset Management Authority, which he read into the record as follows:

Dear Mr. Lupo:

We, the undersigned Neighborhood Association, write to thank and commend you and all of the Board members for your leadership in helping to pass HB475, Act 363. We are delighted with the results and cannot properly express our gratitude for the countless hours you have sacrificed to protect our beloved Lakefront. As you know, HB475 allows all of us to maintain our quality of life while we have struggled to regain following Hurricane Katrina. We want the Board to know that we are committed to this cause and promise that in the future you will not stand alone. Despite a slow start over the past few days, the people and Association stepped up and flooded the Governor's Office with requests to support the Bill. We have organizations and neighbors from all over the City joining us in this battle. We are hopeful this is a blueprint for a fruitful and effective partnership with the Non-Flood Protection Asset Management Authority to help protect the Lakefront and its assets. We ask that you continue to remember the HB475 is a temporary funding solution. We will not forget your leadership today and we look forward to your continuing leadership in the future. Please always remember that we stand ready to assist in any way.

Sincerely,

Lake Terrace Property Owners Association
Lakeshore Property Owners Association
Lake Vista Property Owners Association
Bancroft Park Civic Association
Live Oak Civic Association
Lakeview Civic Improvement Association
Oak Park Civic Association
Lake Terrace Crime Prevention District

Mr. Capo noted that this letter would become a part of the record.

COMMITTEE REPORTS

MARINA COMMITTEE

Commissioner Brien informed the Board that Mr. Capo distributed the report from the Counselors of Real Estate pertaining to their visit to South Shore Harbor. There are numerous items that we can move forward on at a low cost. It was previously approved to take down the passenger walkway at South Shore Harbor. In addition to taking down the walkway, there was an opportunity to do additional work at a modest cost that would open up the area leading into the new pump out facility. That is Item 1 under New Business. The Marina Committee did not have a quorum in the meeting so it came without a recommendation but this project should be supported.

Mr. Capo informed that at the next Marina Committee meeting the report from the Counselors of Real Estate will be included for discussion.

POLICE COMMITTEE

Commissioner Dufrechou informed the Board that the Police Committee had no meeting and this Authority is no longer the management for the Police Department.

Mr. Capo added that because there has not been an official transfer with the Civil Service and between the two Boards, Mr. Capo remains the appointing authority over the Police with day to day operations controlled by Mr. Gerry Gillen on the Flood side.

The invoices for the cost of the police (maintenance and purchase of vehicles) are being forwarded to the Flood side for payment with this Authority processing the payroll for the 32 officers and 4 personnel. The Flood side issued an advance to this Authority for one month which covers some of the initial costs. The Flood side will fund the Police for 60 days in hopes of getting the Attorney General opinion which will finalize a transfer. We are awaiting the Attorney General's office to opine on how the Police can be moved; either through a transfer, a layoff or some other mechanism. Civil Service has advised that they will follow whatever opinion comes out of the Attorney General's office.

Mr. Capo explained that this Authority's involvement with the Police is mainly on the management end. If Mr. Gillen would require an immediate action against a policeman, Mr. Capo is the appointing authority over the police and would take the action against the police officer. We are waiting on the Attorney General to rule on how to handle the transfer or layoff of the Police. In doing so, Mr. Capo will be relieved from being the appointed authority and that will transfer to the Flood side. Mr. Metzger informed that he has been in touch with the Attorney General's office and the Attorney General promised a decision soon. Until that decision is rendered there can be no inter-agency transfer of the Police to the Flood side. This is a strange situation wherein the Flood side is managing the Police but the Executive Director of the Management Authority is the appointing authority with the legal authority over them. Commissioner Hoffman informed that under the legislation, the Flood side is financially liable for anything that happens with the Police after July 1, 2011. Commissioner DeRouen stated that this issue needs to be resolved because of the potential problems that this Board faces practically and otherwise. Mr. Metzger will place a call to the Assistant Attorney General that is handling this matter and will report the findings.

COMMITTEE REPORTS

AIRPORT COMMITTEE

Commissioner Hoffman reported that the Airport Committee meeting was cancelled in July.

REAL ESTATE COMMITTEE

Mr. Pappalardo noted the only item on the Agenda for the Commercial Real Estate Committee was discussion of a lease extension for the Peninsula Condominiums. Mr. John Massicot presented a legal argument to Mr. Metzger citing a statute in which he believes that Peninsula Condominiums are entitled to a lease extension without recognition of reversion of the improvements and without paying for the reversion. There was a discussion back and forth which end result was the Real Estate Committee referred the issue to the Legal Committee since the discussion revolved around the legal issue. The Legal Committee will look into the issue and make a determination on whether there is ability for them to get a lease extension without the recognition of the reversion rights of the Authority.

RECREATION/SUBDIVISION OBLIGATION COMMITTEE

Mr. Capo informed that the Recreation/Subdivision Obligation Committee meeting was cancelled due to lack of quorum.

LEGAL COMMITTEE

Commissioner DeRouen reported that the Legal Committee addressed the By-Laws and Mr. Metzger's contract renewal which were the two items on the Agenda for Board action. There is a potential problem with the By-Laws because we removed the Police Committee. Mr. Metzger informed that the By-Laws were adopted, but that a committee can be reappointed which will solve the problem.

FINANCE COMMITTEE

Commissioner Hoffman reported that the Finance Committee cancelled due to lack of a quorum and the items that were on the Agenda will be addressed tonight.

Commissioner Hoffman requested that the committee members confirm their attendance at meetings because it is extremely important to determine if a quorum will be present. There have been instances where members have arrived only to find there was not a quorum and the meeting had cancelled.

Mr. Capo informed that pursuant to the By-Laws, the Chairman of the Board is not going to be a committee member; therefore he will not constitute a quorum on any committee. In the past the Chairman has substituted and filled in to make a quorum. Commissioner Heaton stated that there would be a problem if a commissioner needed to meet with the Chairman because there would be a quorum issue. This Authority wants to be transparent and abide by the law, but there were more cons to having the Chairman as a member of each committee.

Commissioner Bridges informed that the Seabrook Bridge was being taken over by a three party agreement and the documents were transmitted to the District Administrator. Along with the Seabrook Bridge there will be a small portion of the roads that connect the bridge to a state highway. This will be a three party agreement between the DOTD, this Board and the City.

Mr. Metzger stated that the Authority can discuss the motions that are under new Business without a quorum but there can be no action taken until a quorum is present.

NEW BUSINESS:

Mr. Capo addressed Motion No. 01-072111 which are the various change orders that we have for South Shore Harbor. A resolution was previously approved to remove the Bally's passenger walkway. Upon further inspection of that area by Commissioner Brien, Chairman Lupo, Mr. Pappalardo, Chuck Dixon and Mr. Capo, there were several items noted to further clean the area and to ensure safety. One item is the old escalator and the change order tonight is to remove the escalator and fill the area with dirt and crushed concrete. Mr. Dixon added there was undermining of the Marina Terminal Building and we will pack that with dirt and bring the natural shape of that area back. The escalator repair area change order totals \$3,252.00.

The next change order is for removal of the cooling equipment in that area as it is dangerous. This is not on the original contract. The slab will stay in place; this is for removal of the equipment. Mr. Dixon informed that concrete blocks will be placed in that area. The concrete 4x4s will be taken up and packed in with dirt and the area will be filled in with crushed concrete until we have funds to replace the stamped concrete from Pier 8 to the Point Building. Commissioner Hoffman noted that these are safety items because of the people walking around the site and it is an issue that needs to be addressed. Mr. Capo noted that removal of the walkway was under the contract that was passed last month. There are concrete stubs that are going to be kept to use either for lighting stands, picnic tables or some other amenity for the Marina itself. Crushed concrete will be placed in the area by the pump out facility to ensure safety in that area. The area ties into the Marina and will be cleaned up for an overall better appearance for the Marina area.

Mr. Metzger informed that this motion is not a motion for a change order to be issued to an existing contract as this would not fit within the parameters of a change order under the Public Works Act. This is a motion for a new contract with JP & Sons, Dredging. Since it is a demolition contract, the Attorney General has opined that the Public Bid Law does not apply. The Agenda will have to be amended in the respect of how this motion is entitled; a motion and a second would be needed. Commissioner Saizan offered the motion to amend the Agenda, seconded by Commissioner DeRouen and unanimously adopted.

Upon Commissioner Saizan's arrival a quorum was present and the Motions were addressed as follows:

Motion No. 01-072111

This motion is to approve a contract for additional work at South Shore Harbor Marina with J.P. & Sons Dredging, LLC to perform additional work under the terms and conditions set forth in their proposal.

Commissioner DeRouen questioned how these expenses would affect the budget that was approved in April. Mr. Capo informed that these items were not part of the 2012 budget. Chairman Lupo feels it is important to expend funds in the South Shore Harbor area. There are funds available in the Bally's settlement and monies set aside in the Bally's account for projects in the Bally's area. Commissioner Hoffman informed that Mr. Capo will prioritize the needs of the Authority and come back with a revised budget based on the \$700,000 coming into the Authority for Lakeshore Drive, which will free up funds for other projects that need to be done. Mr. Capo added that these were some recommendations of the Counselors of Real Estate to get the area cleaned up: to remove the air conditioning, the cooling units and grade the site to reduce our liability exposure near the pump out station. It will make the area more attractive and attract additional boaters. There are no slips rented on Pier 8 which face the walkway.

Commissioner Brien offered the motion for additional work at South Shore Harbor Marina with J.P. & Sons Dredging LLC, seconded by Commissioner Saizan and unanimously adopted to wit:

MOTION: 01-072111
RESOLUTION: 01-072111
BY: COMMISSIONER BRIEN
SECONDED BY: COMMISSIONER SAIZAN

July 21, 2011

RESOLUTION

WHEREAS, the Non-Flood Protection Asset Management Authority was established by Act 1014 of 2010 by the Louisiana Legislature effective August 15, 2010 and is the governing authority of the OLD, and an agency of the State of Louisiana placed within the Louisiana Department of Transportation and Development as provided under Title 36, Section 801.1 (A) of the Louisiana Revised Statutes;

WHEREAS, the Orleans Levee District ("OLD") has owned and operated South Shore Harbor Marina since 1987, and has continually attempted to enhance the operation of the Marina in terms of profitability, tenant amenities, environmental compliance, capital improvements, and other enhancements;

WHEREAS, Bally's casino built a passenger walkway and dauphin piles to facilitate the boarding of customers and to secure their floating casino;

WHEREAS, Bally's casino abandoned the site as is, after hurricane Katrina;

WHEREAS, the passenger walkway is now a hazard to the boating public and the dauphin piles are a hazard to navigation in the harbor;

WHEREAS, a permanent pump-out facility has been purchased and installed, near the location in question;

WHEREAS, bids were taken for the removal of twenty nine steel dolphin piles at or below the mud-line, removal of underwater debris along the bulkhead and around the removed steel dolphin piles to a depth of ten feet, removal of the entire passenger walkway from the top concrete footing on the northeast side of the Marina Terminal Building extending two hundred

seventy five feet then west thirty six feet, place a water valve on exposed fresh water service and a plate on the sanitary sewer service, and enclose the Marina Terminal Building exposed walkway entrance after removal; and J.P. & Sons was the low bid at \$81,931.00;

WHEREAS, upon further inspection of the former Bally's site by the Authority Chairman, Marina Committee Chairman, Executive Director, Marina Director and Real Estate consultant, it was observed and noted that some additional structures, berms, steel rods and cooling units in the vicinity of the current work under contract would leave the site in a very unsafe and unsightly condition, and

WHEREAS the Marina Committee of the Management Authority has reviewed this matter but could not vote due to the lack of a quorum but acknowledge the need for this additional work, and

WHEREAS, the Marina Director has requested a proposal from J.P. & Sons Dredging, LLC to remove and perform the additional work and mitigate the safety hazards associated with the above locations, and

WHEREAS, J.P. & Sons, LLC has offered the following proposal which is attached to this resolution:

- | | |
|--|------------|
| 1. Former Bally's proposed Escalator area | \$3,252.00 |
| 2. Demolition of Cooling Units and Piping | \$5,991.00 |
| 3. Grade Site with Crushed Concrete | \$9,070.00 |
| 4. Grade Site with Crushed Concrete Escalator Area | \$2,021.00 |

BE IT RESOLVED, that it is in the best interest of the Authority to contract with J.P. & Sons, LLC for the additional work noted above, and

BE IT FURTHER RESOLVED that Authority Chairman or Executive Director be and is hereby authorized to enter into an agreement with J.P. & Sons, LLC to perform the work in accordance with the attached proposal and at the noted proposed contract price.

AYES: HOFFMAN, HEATON, BRIDGES, BRIEN, DUFRECHOU, SAIZAN, DEROUEN

NAYS:

ABSTAIN:

ABSENT: LUPO, HASSINGER, ERNST, BAUDY, TRASK, CANTRELLE

RESOLUTION ADOPTED: YES

Motion No. 02-072111

This motion is to approve procedures for change orders involving major construction contracts.

Commissioner Hoffman informed that the Authority signs numerous contracts for large amounts (Airport Terminal interior) in which it is not unreasonable that a change order will arise. As opposed to authorizing an arbitrary amount to account for change orders, this resolution is recommending a procedure for change orders to go through the committee and then to the Board for approval and ratification. There are situations where if change orders don't have a quick response it could cost the Authority money and the contractor possibly having to pull off. In time sensitive cases, the change order must be approved by the architect of record, Executive Director and by either the Chairman of the Board or Finance Committee and then reported at the next Board meeting for ratification. This will ensure that lack of timeliness does not cost the Authority excess money. All change orders will come to the Board and be part of the public record wherein everybody knows where all of the contracts stand from day one to completion of the project.

Commissioner Hoffman offered a motion to approve the procedures for change orders, seconded by Commissioner DeRouen and unanimously adopted to wit:

MOTION: 02-072111
RESOLUTION: 02-072111
BY: COMMISSIONER HOFFMAN
SECONDED BY: COMMISSIONER DEROUEN

July 21, 2011

RESOLUTION

WHEREAS, the Non-Flood Protection Asset Management Authority (“Management Authority”) was established by Act 1014 of 2010 by the Louisiana Legislature, effective August 15, 2010, and is the governing authority of the Orleans Levee District (“District”), and an agency of the State of Louisiana placed within the Louisiana Department of Transportation and Development as provided under Title 36, Section 801.1(A) of the Louisiana Revised Statutes,

WHEREAS, the Management Authority has management and control over two marinas, New Orleans Lakefront Airport, Lake Vista Community Center an office complex, and other lands and real estate properties, and

WHEREAS, at times major construction work maybe in process on one or more of those properties, and change orders may be necessary in due course of the construction process, and

WHEREAS, the Management Authority is desirous in developing a process with procedures to effectively and timely address change orders, and

WHEREAS, the following procedures will effectively facilitate the change order process:

1. Timely submission of the change order to the Architect/Engineer of record on the project,
2. Timely review and written submission with recommendation by the Architect/Engineer of record on the project to the Executive Director for review and further recommendation,
3. The Executive Director along with the Architect/Engineer on the project will determine if the change order is critical/time sensitive to the project,
4. If the change order is non-critical/time sensitive to the project, then the change order will be presented at the next in order committee or board meeting. Board approval must be received before work is to commence on the referenced change order.
5. If the change order is critical/time sensitive to the project, then approval must be granted to Executive Director by either of the Chairman of Management Authority or Chairman of the Finance Committee,
6. The Executive Director will notify the appropriate Chairman of the committee that the particular asset/property falls under,
7. If the change order is critical/time sensitive to the project and the Executive Director has been granted the authority to approve the change order, then notification of the change order along with the approval must presented at the next appropriate committee meeting and subsequent ratification by the full board.

WHEREAS, the Management Authority considered it to be in the best interest of the Authority to approve the above process and procedures in handling of construction project change orders, and

BE IT RESOLVED, that the Management Authority approves and adopts the above process and procedures in handling of construction project change orders.

AYES: **HOFFMAN, HEATON, BRIDGES, BRIEN, DUFRECHOU, SAIZAN, DEROUEN**

NAYS:

ABSTAIN:

ABSENT: **LUPO, HASSINGER, ERNST, BAUDY, TRASK, CANTRELLE**

RESOLUTION ADOPTED: YES

Motion No. 03-072111

This motion is to approve an amendment to Richard C. Lambert Consultants' contract for services to devise standardized signage and a sign site plan for the Lakefront Airport area not to exceed \$25,000.00. Currently, there are all types of signs at the Lakefront Airport area. There is no uniformity nor is there any specific site for signage at the Airport. Richard Lambert Consultants is doing work on the Airport to develop a site and signage plan in which all signs would have uniformity as far as styles, material and a location for the signs at the Airport, Downman Road and along Stars and Stripes Blvd.

Mr. Davis informed that this is set up as hourly not to exceed \$25,000 contract. It may be substantially less because we have not gone through the full scope of the project. All hours will be submitted that we bill. There are monumental signs, building signs, directional signs and traffic signs and a major site plan showing where each sign is going to go and what the sign will be structured of along with the details of each sign. Tenants wanting a sign in front of their FBO or a corporate hangar would have to follow the standards for the campus. It will be a campus setting and the signage would be consistent. Mr. Davis informed that drawings would be produced because this will have to be put out to bid for somebody to build the signs. The monumental signs will not be done by the tenants. FAA requirements for signs are related to signs only on the airfield itself. We will take into consideration the logos as we are not going to be able to tell the FBO that they can't use their logo. Signs will be consistent and tie back to the terminal and hangars with the stucco/metallic look.

Commissioner DeRouen questioned if this was premature until we receive recommendations from the Counselors of Real Estate on what signage to put into the Marina. Has there been consideration to the consistency of signage along Lakeshore Drive starting by New Basin Canal going all the way across? Mr. Davis informed that the shelters have a Spanish mission look and the Airport is a deco style. The signage won't be consistent on the Airport to Lakeshore Drive because you would lose context to what you were trying to achieve on this particular area. We are doing a master plan and individual drawings for the signs and as the master plan develops there will be more signs added to the site plan. There is a clear idea of what is going to be on the Airport. There may be additional buildings such as a potential office building. This could possibly be done at a later date. We have a good idea of what buildings are going to be there now and in lieu of waiting, it might be good to get this implemented now.

Mr. Pappalardo commented that a theme and logo should be developed with consistent signage for South Shore Harbor to create an identity for South Shore Harbor that is recognizable across the entire region. The Marina should take its own signage theme to work with that structure. Commissioner Hoffman stated that a master plan is needed to make sure each one of these components fit together even though they may be a little different. There should be a theme that ties them all together so the signs are recognizable from that standpoint. Mr. Davis advised that materials and lettering could be consistent with a different type structure because of the nature of the buildings.

Commissioner Saizan was in favor of the coordinated signage and addressed resurfacing the parking area and restriping the entrance to set the Terminal off in time for the opening. Mr. Davis informed this was not in the scope of the Terminal Interior project but it is not that hard to do. It is a 1934 building so it is not to be thought that we are not going to find some surprises. If we can keep it close we may have additional monies to do that later in the job.

Mr. Davis noted that he received a phone call inquiring if the Andre Lalique panels are still in the terminal. It seems the beautiful lights that go underneath the racetrack were handmade by Andre Lalique out of France and were shipped here. I don't have it documented but it was pretty fascinating to know. Andre Lalique is world renowned in jewelry and glass.

Commissioner Bridges questioned where the \$25,000 was funded because we all recognize that the Airport is losing money. We need to have these different ideas compete for which one is going to give us the most for our money so we can get the Airport into the black. It all needs to be brought to the Board together so we can make a wish list. Mr. Capo advised that this was part of the revised budget plan. These are items that came up since the budget that we did not anticipate back in March.

Commissioner DeRouen made a formal motion to table Item 3 on the Agenda pending a recommendation from the Airport and Marine Committees and bring this back as part of a master plan to address these issues, seconded by Commissioner Saizan. Commissioner Saizan stated that a priority list was needed for the Airport. Mr. Capo informed that there were several properties in need of a priority list: the two marinas, the Airport and Lakeshore Drive.

Mr. Davis informed that tabling the motion will not hold up any project. There are some signs that we do want in place for the opening of the Terminal Building. Commissioner Hoffman stated that the Board would look at the approach of the master signage concept and how we could cover all of them. Each effected committee should discuss the signage dealing with their particular asset and then each committee should talk about what projects they have and give a priority for the marinas, the Airport and the Lakefront, and we can consolidate them all and bring that to the Finance Committee with management's recommendations that can be discussed in total, and then bring it to this Board for discussion. Mr. Capo added that the continuity would be the staff because each individual committee discusses the signage in somewhat of a vacuum. Our consultant will tie all of this together. Commissioner DeRouen added that if 3 committees have an interest in signage, then 3 committees need to be at the table to talk about it. Commissioner Hoffman suggested a joint meeting between the committees to discuss signage.

Motion No. 04-072111

Motion 04-072111 is to approve a professional legal services contract with Gerard G. Metzger, APLC, for legal services for fiscal year 2012 under the terms and conditions set forth in the contract, subject to the approval by the Attorney General of the State of Louisiana as required under Louisiana law.

Commissioner DeRouen stated that this topic was discussed at the Legal Committee meeting. Mr. Metzger's contract was budgeted at \$140,000 for the fiscal year and that is what we are asking the committee to approve. There were comments made that are appropriate to share with the entire Board today and that are appropriate to be in the record. As a lawyer I recognize the quality of the work that this Board receives from Mr. Metzger and his firm. The quality of the work and responsiveness is as good, or better, than I have seen. Within the last 30 days a case went to trial in which this Commission was a party defendant. It was possible for a Judgment to be rendered against this Commission for a decision that its predecessor made prior to Katrina. The case went to trial and there was no liability assessed against this Commission. Credit needs to go to Mr. Metzger and his firm and Mr. Metzger's firm needs to be recognized for the quality of the representation that they routinely provide to this Board.

Commissioner Heaton added that Mr. Metzger's rates are far below the Attorney General rates and we probably can't compensate him for his institutional knowledge that he has brought on these cases. With our budget condition we have to stay below the Attorney General which rates are approximately 10-11 years old. We may be able to revisit this down the road. Everything is tight so this Authority has to be tight, but it does not mean we do not value Mr. Metzger's commitment and willingness to do this below the rates that most lawyers get. Mr. Metzger thanked the Commissioners and stated he has been doing this for 15 years and the opportunity has been fantastic. The rates are fine and I will work with the Board as best I can. Commissioner DeRouen moved for the motion to approve the legal contract, seconded by Commissioner Brien and unanimously adopted to wit:

MOTION: 04-072111
RESOLUTION: 03-072111
BY: COMMISSIONER DEROUEN
SECONDED BY: COMMISSIONER BRIEN

July 21, 2011

RESOLUTION

WHEREAS, the Non-Flood Protection Asset Management Authority ("Management Authority") was established by Act 1014 of 2010 by the Louisiana Legislature, effective August 15, 2010, and is the governing authority of the Orleans Levee District ("District"), and an agency of the State of Louisiana placed within the Louisiana Department of Transportation and Development as provided under Title 36, Section 801.1(A) of the Louisiana Revised Statutes;

WHEREAS, effective the 1st day of January, 2011, the Non-Flood Protection Asset Management Authority ("Management Authority") entered into a written Professional Legal Services Contract with Gerard G. Metzger, A Professional Law Corporation ("Counsel") dated on or about January 4, 2011, which said contract was subsequently approved by the Office of the Attorney General of the State of Louisiana as required under Louisiana law;

WHEREAS, the Contract was for a term of six (6) months and commenced on January 1, 2011 and expired on June 30, 2011;

WHEREAS, the Legal Committee of the Management Authority at its meeting held on July 14, 2011 considered a new contract with counsel and unanimously agreed to recommend to the Management Authority a new contract with counsel for a term of one (1) year, commencing on July 1, 2011 and expiring on June 30, 2012, and in accordance with the other terms and conditions set forth in the Professional Legal Services Contract with Gerard G. Metzger, A Professional Law Corporation, a copy of which is attached to this Resolution (the "Contract"); and,

WHEREAS, after consideration of the Professional Legal Services Contract with Gerard G. Metzger, A Professional Law Corporation, the Management Authority considered it to be in the best interest of the District to approve the Professional Legal Services Contract with Gerard G. Metzger, A Professional Law Corporation under the terms and conditions specified above.

BE IT RESOLVED, that the Management Authority approves the Professional Legal Services Contract with Gerard G. Metzger, A Professional Law Corporation under the terms and conditions set forth in the attached Contract, subject to the approval of said Contract by the Attorney General of the State of Louisiana as required under Louisiana law.

BE IT FURTHER RESOLVED, that the Management Authority Chairman or Executive Director be and is hereby authorized to sign the Professional Legal Services Contract with Gerard G. Metzger, A Professional Law Corporation and sign any and all other documents to carry out the above.

AYES: HOFFMAN, HEATON, BRIDGES, BRIEN, DUFRECHOU, SAIZAN, DEROUEN

NAYS:

ABSENT: LUPO, HASSINGER, ERNST, BAUDY, TRASK, CANTRELLE

RESOLUTION ADOPTED: YES

Motion No. 05-072111

Motion 05-072111 is a motion to adopt the By-Laws of the Non-Flood Protection Asset Management Authority. The By-Laws shall be effective as of the date of the adoption of this resolution.

Commissioner DeRouen stated that this topic was also discussed at the Legal Committee meeting. The By-Laws have been crafted specifically for this Commission's needs and requirements. The issues addressed include the Committee structure, the Committees, Committee membership, quorum issues and whether the Chairman of the entire Commission should be a member of all of the different committees. Actions taken by the Finance Committee or actions taken by the Executive Director are going to be reported to the Board on a monthly basis to promote transparency and let everyone know that what happens on a daily basis. What happens in the committee meetings will be published and be part of the record. One of the issues in these By-Laws is that the Police Committee has been removed because at the time we thought that we were out of the Police Department structure. If the By-Laws are adopted, we are going to have to appoint a Police Committee.

Commissioner DeRouen next addressed adding a Human Resource or Personnel Committee and stated if there were any Personnel or Human Resources issues they would follow up through the respective committees to get to the attention of the Board. A personnel manual exists for the Commission but it has not been updated for a number of years. It is likely that the personnel manual will come to the Legal Committee and any committee that has input into those topics.

Mr. Metzger informed that in the By-Laws (Article 5, Section 3) it states that the Chairman or the Authority, by majority of the voting membership of the Authority, may establish other committees. This can be added to this Agenda as an additional item that the authority will now vote on to establish that committee or it can be discussed with Chairman Lupo and have him appoint the Police Committee.

Commissioner Saizan stated that under the agreement that we have, the Police are going to be maintained at a level of 24 officers and questioned if we had access to these policemen at any time. Commissioner Hoffman advised that the policemen are under authority of the Flood side and are no longer available to this Authority. Mr. Capo informed that the Direction was given to Chief Lewis that the Police Department should only be patrolling Flood assets at this time. No longer do they patrol the Airport, the Marinas or the subdivisions. They do patrol Lakeshore Drive because that is considered a flood component. Mr. Capo added that they are patrolling the levee that passes Marconi along with the levee and the flood wall along the Orleans Canal, but they are not going to turn onto the side streets. Commissioner Saizan commented that the subdivisions should be notified that there will be no police patrol in the neighborhoods.

Commissioner Hoffman suggested from a procedural standpoint to vote on the By-Laws and afterward called for a motion to amend the Agenda to appoint a committee for the Police Department as it is important to have that in place in case any issues come up, so the Executive Director has a force to go to for guidance as opposed to waiting 30 days until the Board meets again.

Commissioner DeRouen moved for adoption of the By-Laws, seconded by Commissioner Heaton and unanimously adopted to wit:

MOTION: 05-072111
RESOLUTION: 04-072111
BY: COMMISSIONER DEROUEN
SECONDED BY: COMMISSIONER HEATON

July 21, 2011

RESOLUTION

WHEREAS, the Non-Flood Protection Asset Management Authority (the “Management Authority”) was established by Act 1014 of 2010 by the Louisiana Legislature, effective August 15, 2010, and is the governing authority of the non-flood assets of the Orleans Levee District (“District”);

WHEREAS, the Authority is authorized by law to adopt by-laws, rules and regulations for the management of its affairs and the operation and governance of the non-flood assets of the Orleans Levee District;

WHEREAS, the Legal Committee of the Management Authority directed the Authority’s counsel to prepare By-Laws to govern the business and affairs of the Management Authority, including but not limited to the conduct of meetings, establishment of committees, authority of the Chairman of the Management Authority, voting rights of the members and duties of the officers of the Management Authority;

WHEREAS, the Legal Committee of the Management Authority was presented with a draft of the By-Laws by counsel and reviewed same at its meeting held on June 14, 2011 and unanimously voted to recommend adoption of the By-Laws to the full Board;

WHEREAS, a copy of the By-Laws reviewed and recommended for adoption is attached to this Resolution; and,

WHEREAS, after consideration of the By-Laws prepared by the Authority’s counsel and recommendation for approval by the Legal Committee, the Management Authority considers it to be in the best interest of the Authority to approve and adopt said By-Laws.

BE IT HEREBY RESOLVED, that the Management Authority approves and hereby adopts the By-Laws for the Non-Flood Protection Asset Management Authority, a copy of which is attached to this Resolution.

BE IT FURTHER RESOLVED, that the By-Laws shall be effective as of the date of the adoption of this Resolution.

BE IT HEREBY FURTHER RESOLVED, that the Management Authority hereby authorizes its Secretary to sign said By-Laws and file same in the records of the Management Authority.

AYES: HOFFMAN, HEATON, BRIDGES, BRIEN, DUFRECHOU, SAIZAN, DEROUEN
NAYS:
ABSTAIN:

ABSENT: LUPO, HASSINGER, ERNST, BAUDY, TRASK, CANTRELLE
RESOLUTION ADOPTED: YES

Commissioner Hoffman offered a motion to amend the Agenda to add appointment of a Police Committee, seconded by Commissioner Heaton. A unanimous roll call vote was taken and the matter was opened for public discussion.

Commissioner DeRouen suggested that the Board appoint a Police Committee consistent with the membership that previously existed for this Authority's Police Committee which committee would report back to the Board as it has in the past.

Commissioner Derouen moved to re-appoint the Police Committee, seconded by Commissioner Saizan and unanimously adopted.

Commissioner Saizan commented that this Authority is bringing back significant assets such that there is going to be a need for police presence in those areas. The Flood Authority is going to help us with that. Commissioner Hoffman agreed and questioned if there was private security at the two marinas. Mr. Capo informed that the Authority had two security guards on staff, employees of the Management Authority who patrol South Shore Harbor and the exterior of the Lakefront Airport to the Fuel Farm. At Orleans Marina we have contract out for Weiser Security Personnel to provide security at Orleans Marina.

Motion No. 06-072111

Motion 06-072111 is to approve a professional services contract with Pappalardo Consultants through its President, Albert Pappalardo, Sr., for real estate consulting services for fiscal year 2012. Mr. Capo informed that this contract was a budget line item of \$60,000 for fiscal year 2012. Mr. Pappalardo's contract is on an hourly rate and his hourly rate has not changed.

Commissioner Saizan commented Mr. Pappalardo is the primary reason that we brought the Counselors of Real Estate here. Mr. Pappalardo has provided wise counsel over the years. We have another top notch professional who gives us really good advice and is a worthy candidate for the professional services contract. Commissioner Heaton commented that the level of professionalism and expertise Mr. Pappalardo brings to the table is unparalleled to anyone I have worked with and I am very appreciative of the job he does for this Authority. Commissioner Hoffman added that this, like many items in the budget, had to be cut based on the revenue that we projected at the time. These professional contracts will be addressed in a revised budget. The services are excellent and we continue to enjoy the benefit of years of experience for a very reasonable price.

Commissioner DeRouen offered a motion to approve a professional services contract with Pappalardo Consultants through its President, Albert Pappalardo, Sr., for real estate consulting services for fiscal year 2012, seconded by Commissioner Saizan, and unanimously adopted to wit:

MOTION: 06-072111
RESOLUTION: 05-072111
BY: COMMISSIONER DEROUEN
SECONDED BY: COMMISSIONER SAIZAN

July 21, 2011

RESOLUTION

WHEREAS, the Non-Flood Protection Asset Management Authority (“Management Authority”) was established by Act 1014 of 2010 by the Louisiana Legislature, effective August 15, 2010, and is the governing authority of the Orleans Levee District (“District”), and an agency of the State of Louisiana placed within the Louisiana Department of Transportation and Development as provided under Title 36, Section 801.1(A) of the Louisiana Revised Statutes;

WHEREAS, effective the 1st day of September, 2008, the Orleans Levee District, Non-Flood Division, entered into a written Professional Services Contract with Pappalardo Consultants, through Albert Pappalardo, Sr., for Real Estate Consulting Services, for a one year primary term and 2 one year options; and

WHEREAS, the Professional Services Contract was executed by the Non-Flood Division and Pappalardo Consultants for the primary term and 2 option periods, and the Professional Services Contract for Real Estate Services is set to expire on August 31st, 2011; and

WHEREAS, the Contract was to be heard at the July 14th, 2011 Finance Committee, the meeting was cancelled because a quorum was reached because of inclement weather; and

WHEREAS, the Management Authority considered it to be in the best interest of the District to approve the Professional Services Contract with Pappalardo Consultants under the terms and conditions set forth in the attached Contract; and

BE IT RESOLVED, that the Management Authority approves the Professional Services Contract with Pappalardo Consultants, through its President, Albert Pappalardo, Sr., under the terms and conditions set forth in the attached Contract,

BE IT FURTHER RESOLVED, that the Management Authority Chairman or Executive Director be and is hereby authorized to sign the Professional Services Contract with Pappalardo Consultants, through its President, Albert Pappalardo, Sr. and sign any and all other documents to carry out the above.

AYES: HOFFMAN, HEATON, BRIDGES, BRIEN, DUFRECHOU, SAIZAN, DEROUEN

NAYS:

ABSTAIN:

ABSENT: LUPO, HASSINGER, ERNST, BAUDY, TRASK, CANTRELLE

RESOLUTION ADOPTED: YES

Motion No. 07-072111

Motion 07-072111 is to request for an expedited opinion from the Louisiana Attorney General on issues raised by the FAA regarding the New Orleans Lakefront Airport.

Mr. Metzger stated that the Authority has been struggling with the FAA in Washington, D.C. since the last week of the legislative session. This issue was dropped on the Management Authority at that time as it was going to be handled by Division of Administration. The Division of Administration did not deal with it; this goes to the recognition of this Management Authority as the public sponsor of the New Orleans Lakefront Airport, which is necessary to continue grant funding. Mr. Metzger has written two memorandums with all the legislative acts and all information on the issues. The first issue is: Is this Authority the managing Authority for the Non-Flood Assets of the Orleans Levee District. The second issue is: Who owns the Airport. Walking through the legislative acts going back to the 30's, the Airport was owned by the Orleans Levee District, and it is a Non-Flood asset. This entity, the Management Authority, is the successor to the Division of Administration and to the former Board of Commissioners of the Orleans Levee District with all of the rights and authority that they had.

Mr. Metzger has been speaking with Kevin Willis who is with the FAA. Mr. Willis was involved in the privatization process 10 years ago and I have given him the statutes. He wanted to know where the title to the Airport is. The title to the Airport is in Title 38, Section 336. It says if you reclaim the lake, the state is transferring the title to the navigable water bottoms to the former Board, the Division of Administration, and now this entity. Mr. Willis informed that he thought we needed an Attorney General's opinion so this item was placed on the Agenda. We spoke with Commissioners Hoffman and Saizan and Chairman Lupo about this before this meeting.

Mr. Metzger wrote a short note requesting Mr. Willis to identify the issues to take to the Attorney General. Mr. Willis wrote back that he could not identify the issues and sent a brochure on the legal opinion that we want stating all of the things that will comply with the grant assurances. I asked if Mr. Willis wanted that back from me or Mr. Sandy Murdoch, our FAA specialist. I have not heard back from Mr. Willis, although he is working with us to resolve this issue.

As we stand we feel that we need this resolution on an issue that I thought was resolved 10 years ago when Washington, D.C. negotiated the privatization contract. I don't see this as an issue. Right now they have stopped the federal grant funding for the Airport because of this issue. Commissioner Hoffman commented that Mr. Metzger could not ask for an opinion on our behalf without a Board resolution authorizing counsel to do that. We have grants in front of the FAA that will not get processed until we resolve this issue recognizing this Authority as the public sponsor of the New Orleans Lakefront Airport.

Commissioner Saizan offered a motion to request an expedited opinion from the Louisiana Attorney General on issues raised by the FAA regarding the New Orleans Lakefront Airport, seconded by Commissioner DeRouen and unanimously adopted to wit:

MOTION: 07-072111
RESOLUTION: 06-072111
BY: COMMISSIONER SAIZAN
SECONDED BY: COMMISSIONER DEROUEN

June 21, 2011

RESOLUTION

WHEREAS, the Non-Flood Protection Asset Management Authority (the "Management Authority") was established by Act 1014 of 2010 by the Louisiana Legislature, effective August 15, 2010, and is the governing authority of the non-flood assets of the Orleans Levee District ("District");

WHEREAS, the New Orleans Lakefront Airport located on the south shore of Lake Pontchartrain in the City of New Orleans is one of the non-flood assets of the Orleans Levee District subject to the management and control of the Management Authority;

WHEREAS, the United States Department of Transportation, Federal Aviation Administration ("FAA") provides Airport Improvement Project grant funding to the Airport;

WHEREAS, the FAA requires the identification of a public sponsor for the Airport for eligibility for Airport Improvement Project grant funding;

WHEREAS, the FAA has advised the Management Authority that it has questions on the legislation enacted in 2010 creating the Management Authority and amendments enacted during the Louisiana legislative session in 2011 regarding among other things the title and ownership of the New Orleans Lakefront Airport;

WHEREAS, the FAA has advised the Management Authority that it desires an opinion from the Louisiana Attorney General on these issues; and,

WHEREAS, the Management Authority believes it is in the best interest of the Airport to request an opinion from the Attorney General of the State of Louisiana on legal issues to be identified by the FAA regarding the New Orleans Lakefront Airport.

BE IT HEREBY RESOLVED, that the Management Authority hereby authorizes its legal counsel to request an expedited opinion from the Attorney General of the State of Louisiana on any legal issues identified by the FAA regarding the New Orleans Lakefront Airport;

BE IT HEREBY FURTHER RESOLVED, that the Management Authority Chairman or Executive Director be and is hereby authorized to sign the any and all documents necessary to carry out the above.

AYES: HOFFMAN, HEATON, BRIDGES, BRIEN, DUFRECHOU, SAIZAN, DEROUEN

NAYS:

ABSTAIN:

ABSENT: LUPO, HASSINGER, ERNST, BAUDY, TRASK, CANTRELLE

RESOLUTION ADOPTED: YES

Mr. Capo informed the Board that he is working with David Logan with the Business Counsel reviewing Lakefront Airport financials. Mr. Logan has requested information going back to 2001 along with information regarding the privatization. He is working with the Flood side to make the Airport historical. Mr. Tim Doody is also working with Mr. Logan on gathering information on the Airport.

PUBLIC COMMENTS

Mr. Roy Arrigo, Bellaire Drive, commented that he attends the Flood Board meetings. I followed House Bill 475 closely, which is what drove my interest to attend this meeting. This is the first Non-Flood meeting I have attended and it is a good business meeting with very prudent questions. This board is doing a good job of watching the people's money, monitoring it and using it. I get a good feeling coming to this meeting and seeing what this Board is doing, your work is appreciated. Thank you all for your efforts, I know you all put a lot of time and work on this Board.

NEXT BOARD MEETING

Mr. Capo announced the next full Board meeting was scheduled for Thursday, August 18, 2011 at 5:30 p.m.

ADJOURNMENT

Commissioner DeRouen offered a motion to adjourn, seconded by Commissioner Brien and unanimously adopted.

The meeting adjourned at 7:05 p.m.