

**THE NON-FLOOD PROTECTION ASSET MANAGEMENT AUTHORITY
MINUTES OF THE FULL BOARD MEETING
THURSDAY DECEMBER 13, 2013 – 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, December 13, 2012 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.

Chairman Lupo called the meeting to order at 5:43 p.m. and led in the Pledge of Allegiance. The roll was called and a quorum was present.

PRESENT:

Chairman Robert Lupo
Vice Chairman Joe Hassinger
Secretary Greg Ernst
Commissioner Romona Baudy
Commissioner William Hoffman
Commissioner Wilma Heaton
Commissioner Michael Stack
Commissioner Stanley Brien
Commissioner Carlton Dufrechou
Commissioner Pearl Cantrelle
Commissioner Patrick DeRouen

ABSENT:

Commissioner John Trask
Commissioner Nyka Scott
Commissioner Darrel Saizan

STAFF:

Louis Capo - Executive Director
Sharon Martiny - Non-Flood
Chuck Dixon – Marina Director
Fred Pruitt – Airport Manager
Dawn Wagener – Non-Flood

ALSO PRESENT:

Al Pappalardo - Real Estate Consultant
Gerard Metzger - Legal Counsel
Steve Nelson – Stuart Consulting
Alton Davis – Richard C. Lambert Consulting
Ray Landeche – Lakeshore Subdivision

ADOPT AGENDA

Commissioner Hoffman offered a motion to Adopt the Agenda, seconded by Commissioner Hassinger and unanimously adopted.

APPROVAL OF PRIOR MINUTES

Commissioner Hoffman offered a motion to approve the minutes of the Board meeting held on November 15, 2012, seconded by Commissioner Baudy and unanimously adopted.

REPORT FROM EXECUTIVE DIRECTOR

Mr. Capo reported that a brochure designed by Sandy McNamara has been distributed to restaurateurs to garner interest in operating the catering and restaurant operations at Lakefront Airport. An RFP/RFQ will go out after the first of the year. Chairman Lupo noted the concept is directed to a restaurant/caterer operator to expand to the second floor office space. The will also be presented to the Louisiana Economic Development Committee to promote the entire Airport.

Mr. Capo informed that the Ethics training course is due on December 31, 2012. Staff will provide instructions on how to log into the website to the Commissioners via e-mail.

OPENING COMMENTS

Chairman Lupo advised that informal discussions are underway with all legislators and representatives to explain the financial situation that this Authority is in and that the millage does not take effect until 2016 leaving a three year gap. Legislators are being briefed on how the Authority uses the Bally's settlement fund and that the Authority will not be able to continue without the help of interim money. A meeting will be scheduled with the Commissioner of Administration to determine if Capital Outlay dollars will be available by the Administration to Treasurer Kennedy. The Authority will be in the legislature again this year trying to explain to the Flood Side that they, as the Orleans Levee District, have an obligation to continue funding these non-revenue producing assets that require maintenance.

COMMITTEE REPORTS

Airport Committee - Chairman Lupo noted that items vetted at the Airport Committee will be discussed as they appear on the Agenda.

Marina Committee – Commissioner Brien reported that Mr. Dixon is moving forward on several major maintenance items at Orleans Marina that the leases were retooled to accommodate.

Recreation Committee – Commissioner Hassinger noted that work to restore utilities to Lakeshore Drive is underway and should be completed in April. Commissioner Ernst added that the rock dam removal is also underway which generated an article in the newspaper.

Finance Committee – Chairman Hoffman reported nothing unusual at the Finance Committee meeting. There was time spent discussing the 2013-2014 Fiscal Year budget and how the Authority would afford the lights that will be completed on Lakeshore Drive.

Chairman Lupo noted for the record the arrival of Commissioner Cantrelle.

NEW BUSINESS

Motion No. 01-121312 - Motion for approval for a Supplemental Agreement to Richard C. Lambert Consultant contract for the Delgado Hangar to proceed with 30% design and to update the cost curve calculation from Curve "B" in the Public Assistance Guide, FEMA 322, dated October 1999 to Curve "B" in the Public Assistance Guide, FEMA 322, dated June 2007.

Section 5.1.1 of the Supplemental Agreement with Richard C. Lambert Consultants, LLC will be revised by changing the cost curve used to calculate the Consultant's fee and revising Section 5.1.2 of the Agreement by eliminating the Program Finalization Phase and Schematic Design Phase and replacing these sections with a Scope Compilation Phase calculated as 30% of the total fee with all other terms and conditions of the Agreement to remain the same.

Chairman Lupo noted that the Delgado Hangar is located on an area of the Airport that is low and does not drain properly. The Delgado Hangar was heavily damaged as a result of Katrina. FEMA's original estimate was \$19,000 to refurbish the Hangar, but there is approximately half million dollars that can be recouped by the Airport as FEMA's original estimate was extremely low. The Authority will take that building down and use those dollars elsewhere on the Airport which is allowed by FEMA under certain conditions. To get maximum dollars for the Delgado Hangar the Authority must hire a firm to prepare and present the dollar figure in plan form which is reimbursable.

Steve Nelson, Stuart Consulting, informed that funding from the Delgado Hangar project could be plugged into the Terminal Building. The funding the Authority put towards the Terminal will be structured in the form of a loan from the Authority. The Authority can then utilize that funding wherever the Authority chooses. The fee curve will adjust the curve to what FEMA agreed to in the policies and procedures as the updated fee curve in 2007 as that is what FEMA will write in the project worksheet.

Commissioner Saizan, at the Airport Committee meeting on December 4, 2012, offered a motion to approve Richard C. Lambert Consultant's Supplemental Agreement for the Delgado Hangar to proceed with 30% design and to update the cost curve calculation, seconded by Commissioner Ernst and unanimously adopted to wit:

MOTION: 01-121312
RESOLUTION: 01-121312
BY: COMMISSIONER SAIZAN
SECONDED BY: COMMISSIONER ERNST

December 13, 2012

RESOLUTION

WHEREAS, the Non-Flood Protection Asset Management Authority (the "Management Authority") is a political subdivision of State of Louisiana and the governing authority of the non-flood assets of the Orleans Levee District ("District");

WHEREAS, the New Orleans Lakefront Airport ("Airport") is one of the non-flood assets of the District under the management and control of the Management Authority;

WHEREAS, the Management Authority and Richard C. Lambert Consultants, LLC, ("Consultant") entered into an Agreement on the 16th day of May, 2012 for the Consultant to provide professional services for the repair of the Delgado Hangar at the Airport ("Agreement");

WHEREAS, the Management Authority has elected to pursue the Delgado Hangar as an Alternate Project under FEMA's Public Assistance regulations;

WHEREAS, the Management Authority requested that the Consultant prepare a complete scope of work and cost estimate for the repairs necessary to restore the Delgado Hangar to its pre-Katrina state;

WHEREAS, the Consultant requested that the Agreement be amended to revise the scope and compensation to accurately reflect the change in scope requested by the Management Authority;

WHEREAS, in order to provide compensation commensurate with the actual effort required to complete the revised scope of work, the Consultant requested that Section 5.1.1 of the Agreement be amended to change the cost curve used to calculate the Consultant's fee from Curve "B" in the Public Assistance Guide FEMA 322, dated October 1999, to Curve "B" in the Public Assistance Guide FEMA 322, dated June 2007;

WHEREAS, the Consultant also requested that the Section 5.1.2 of the Agreement be amended to eliminate "Program Finalization Phase" and "Schematic Design Phase" and replace these Sections with a "Scope Compilation Phase", calculated as 30% of the total fee;

WHEREAS, the Consultant agrees not to proceed beyond the "Scope Compilation Phase" without written authorization from the Management Authority;

WHEREAS, the Airport Committee at its December meeting considered the request to revise the scope and compensation of the Agreement as detailed above and unanimously voted to recommend approval to the Management Authority; and,

WHEREAS, the Management Authority considers it to be in the best interest of the Airport to approve an amendment of the Richard C. Lambert Consultants, L.L.C.'s Agreement to revise the scope and compensation as detailed above.

THEREFORE, BE IT HEREBY RESOLVED, that the Management Authority approves a Supplemental Agreement with Richard C. Lambert Consultants, LLC revising Section 5.1.1 of the Agreement by changing the cost curve used to calculate the Consultant's fee from Curve "B" in the Public

Assistance Guide FEMA 322, dated October 1999, to Curve “B” in the Public Assistance Guide FEMA 322, dated June 2007, and revising Section 5.1.2 of the Agreement by eliminating the “Program Finalization Phase” and “Schematic Design Phase” and replacing these Sections with a “Scope Compilation Phase”, calculated as 30% of the total fee, with all other terms and conditions of the Agreement to remain the same.

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

AYES: LUPO, HASSINGER, ERNST, BAUDY, HOFFMAN, HEATONM, STACK, BRIEN, DUFRECOU, CANTRELLE, DEROUEN

NAYS: NONE

ABSTAIN:

ABSENT: TRASK, SAIZAN SCOTT

RESOLUTION ADOPTED: YES

Motion No. 02-121312 - Motion for approval to provide funding for safety related changes to markings and signage at New Orleans Lakefront Airport in an amount not to exceed \$176,380.69 for construction and engineering services

This Motion concerns the New Orleans Lakefront Airport AIP grant to rehabilitate the airfield pavement project. Chairman Lupo informed that this project is a grant from the FAA to seal coat the main runway and many safety markings that needed refurbishing on Lakefront Airport. After the grant was approved, there was a meeting with FAA Safety Representatives and Authorities who recommended numerous additional items that were not included in the grant project, some relating to pilot error, and which have never been at Lakefront Airport. There is currently no grant for this project, but the FAA assured the Authority will be reimbursed this \$174,000 in the next grant cycle.

Mr. Pruitt advised that this project is an attempt to stop pilot deviations and capital deviations in the United States as pilots cross into runway areas without permission. The recommended items included painting, sign changes and delineators, none of which were in the original grant. The response from pilots and different companies that come to Lakefront Airport will be positive and will help with the work currently underway. Total project expenses are approximately \$700,000 at this point. The company performing the work will take before and after aerial photographs to present to the Board for a visual reference of the changes. Mr. Pruitt informed that the runway work was completed 1½ days ahead of schedule. Mr. Capo noted that the entire contract is for 132 days, but the company will complete the project in approximately 32 days.

Chairman Lupo informed that Lakefront Airport has been operating since 1934 with the same layouts and markings. Two years ago Congress passed a Pilots’ Bill of Rights Act. Previously, when a pilot deviated and crossed a line the pilot would get a call from the FAA who would suggest the pilot take additional courses or his license would be pulled. With the new Pilot’s Bill, pilots do not go through that. The Administrators are afraid to ask questions for fear of getting sued for violating the pilots’ rights. Cockpits are now so sophisticated the pilots can do different things while taxiing. The pilots’ heads are bowed, they are looking down, doing something and looking up while the plane is moving down the taxiway. That is the reason for these deviations. Instead of the FAA finding pilots at fault, the FAA finds the airport at fault so the airport gets punished. If the airports do not stop the deviations from happening the FAA may no longer pass airport grants. This money is not only well spent, but this work has to be done in order to try and stop deviations.

Chairman Lupo noted that the FAA advised there are younger crews in the towers who log each time a pilot does something wrong. Older experienced tower crews do not report the pilot. Mr. Pruitt advised that Lakefront Airport is a low lying airport and many tower personnel come straight out of college to train for six months then bid for a tower elsewhere in the country. These crews come straight out of college and follow what was taught in the books to the letter which is the big difference. The FAA now wants everything reported and put in a data base to track in a system.

Commissioner Saizan, at the Airport Committee meeting on December 4, 2012, offered a motion to provide funding for safety related changes to markings and signage at New Orleans Lakefront Airport in an amount not to exceed \$176,380.69, seconded by Commissioner Hassinger and unanimously adopted to wit:

MOTION: 02-121312

RESOLUTION: 02-121312

BY: COMMISSIONER SAIZAN

SECONDED: COMMISSIONER HASSINGER

December 13, 2012

RESOLUTION

WHEREAS, the Non-Flood Protection Asset Management Authority (“Management Authority”) is a political subdivision of the State of Louisiana and the governing authority of the non-flood protection assets of the Orleans Levee District (“District”);

WHEREAS, the New Orleans Lakefront Airport (the “Airport”) is one of the non-flood protection assets of the District under the management and control of the Management Authority;

WHEREAS, the Management Authority publicly advertised for bids under the Louisiana Public Bid Law for a contract for new markings on the runways and taxiways and for installation of new signage and seal coating of the runways at the Airport, and bids for this Project were received on or about July 27, 2012 (the “Project”);

WHEREAS, Hi-Lite Markings, Inc. was the lowest responsible bidder and was awarded the contract for the Project;

WHEREAS, URS Corporation and Design Engineering, Inc. were engaged to provide professional engineering services for the Project;

WHEREAS, this Project was approved for FAA grant funding pursuant to New Orleans Lakefront Airport, AIP Grant #3-22-0038-023-2012, Rehabilitate Airfield Pavement Project;

WHEREAS, the original total grant amount from the federal share was \$696,830.00, which includes 90% funding of the Engineering Basic Fees in the amount of \$120,061.78, Project Inspection Fees in the amount of \$65,000.00, and Construction Improvements in the amount of \$589,193.88;

WHEREAS, following the grant award, the Airport presented a summary of recent deviations on the airfield to the FAA and it was determined additional measures needed to be installed to enhance safety at the concentrated areas of deviations at the Airport;

WHEREAS, the FAA reviewed and agreed to the additional markings and signage updates for enhanced safety for this project at the Airport;

WHEREAS, the total cost for these improvements is \$176,380.69 including \$156,488.20 for Construction Improvements and \$19,892.49 for Engineering Basic Fees;

WHEREAS, the Management Authority submitted a request to the FAA to amend the subject grant to increase the Federal share by \$158,742.62, increasing the original grant from \$696,830.00 to \$855,572.62, and to amend the related State grant of \$17,638.07, increasing the total State grant from \$77,425.56 to \$95,063.63;

WHEREAS, these requests were approved by the FAA and the Louisiana Department of Transportation and Development, Division of Aviation;

WHEREAS, the increased funding under these Grants will not be available in time to complete this work prior to Super Bowl XLVII to be hosted by the City of New Orleans;

WHEREAS, the Airport Committee after reviewing this matter resolved that it would be in the best interest of the Airport to fund these additional safety related changes to markings and signage in order to complete this work prior to Super Bowl XLVII; and,

WHEREAS, the Management Authority resolved that it was in the best interest of the Orleans Levee District and the Airport to provide the funding for these additional safety related changes to markings and signage in order to complete this work prior to Super Bowl XLVII.

THEREFORE, BE IT HEREBY RESOLVED, that the Management Authority approves funding in the amount of \$176,380.69 for engineering and construction services for the additional safety related changes to markings and signage approved by the FAA in connection with the New Orleans Lakefront Airport, AIP Grant #3-22-0038-023-2012, Rehabilitate Airfield Pavement Project.

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

AYES: LUPO, HASSINGER, ERNST, BAUDY, HOFFMAN, HEATONM, STACK, BRIEN, DUFRECOU, CANTRELLE, DEROUEN

NAYS: NONE

ABSTAIN:

ABSENT: TRASK, SAIZAN SCOTT

RESOLUTION ADOPTED: YES

Motion No. 03-121312 - Motion for approval to contract with PMC, Inc. in the amount of \$149,800 for the construction and piping installation of the jet fuel racks at the New Orleans Lakefront Airport Fuel Terminal

This motion is to install piping valves and fittings to connect the filter and pump skids to the jet fuel storage tanks on the Fuel Farm at Lakefront Airport for \$149,800. Mr. Pruitt stated that the most recent need for the jet fuel racks is the Super Bowl as it will allow each FBO to have an individual jet rack to load their trucks. Currently, the Airport has one loading rack. There is a second advantage as these racks are designed so they can be drained, disconnected, picked up with a forklift and taken off of the Airport during hurricane season so the Airport is not risking the equipment. The jet fuel rack includes the pump, filter vessel, rounding and overflow protection all on one steel rack.

Commissioner Saizan, at the Airport Committee meeting on December 4, 2012, offered a motion to contract with PMC, Inc. in the amount of \$149,800 for the construction and piping installation of the jet fuel racks, seconded by Commissioner Ernst and unanimously adopted to wit:

MOTION: 03-121312

RESOLUTION: 03-121312

BY: COMMISSIONER SAIZAN

SECONDED: COMMISSIONER ERNST

December 13, 2012

RESOLUTION

WHEREAS, the Non-Flood Protection Asset Management Authority (“Management Authority”) is a political subdivision of the State of Louisiana and the governing authority of the non-flood protection assets of the Orleans Levee District (“District”);

WHEREAS, the New Orleans Lakefront Airport (the “Airport”) is one of the non-flood protection assets of the District under the management and control of the Management Authority;

WHEREAS, it is necessary to install piping valves and fittings to connect the filter and pump skids to the jet fuel storage tanks on the Fuel Farm at the Airport;

WHEREAS, a request for quotes for this work was issued and the lowest quote received was in the amount of \$149,800.00 from PMC, Inc.;

WHEREAS, the Airport Committee after reviewing this matter resolved that it was be in the best interest of the Airport for the Management Authority to enter into a contract with PMC, Inc. for this work for the price quoted of \$149,800.00; and,

WHEREAS, the Management Authority after considering the recommendation of the Airport Committee resolved that it was in the best interest of the Orleans Levee District and the Airport to enter into a contract with PMC, Inc. for this work for the price quoted of \$149,800.00.

THEREFORE, BE IT HEREBY RESOLVED, that the Management Authority approves a contract with PMC, Inc. to install piping valves and fittings to connect the filter and pump skids to the jet fuel storage tanks on the Fuel Farm at the Airport for the price of \$149,800.00.

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

AYES: LUPO, HASSINGER, ERNST, BAUDY, HOFFMAN, HEATONM, STACK, BRIEN,
DUFRECOU, CANTRELLE, DEROUEN

NAYS: NONE

ABSTAIN:

ABSENT: TRASK, SAIZAN SCOTT

RESOLUTION ADOPTED: YES

NEXT BOARD MEETING

The next full Board meeting of the Non-Flood Protection Asset Management Authority is scheduled for Thursday, February 21, 2013 at 5:30 p.m.

ADJOURNMENT

Commissioner Dufrechou offered a motion to adjourn, seconded by Commissioner Hassinger and unanimously adopted.

The meeting adjourned at 6:06 p.m.