

**THE NON-FLOOD PROTECTION ASSET MANAGEMENT AUTHORITY  
MINUTES OF THE FULL BOARD MEETING  
TUESDAY, APRIL 17, 2012 – 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 Tuesday, April 17, 2012 at 5:30 P.M., in the Lake Vista Community Center, 2<sup>nd</sup> 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 5:41 p.m. and led in the Pledge of Allegiance.

The roll was called and a quorum was present.

**PRESENT:**

Chairman Robert E. Smith Lupo  
Vice-Chairman Joe Hassinger  
Secretary Greg Ernst  
Commissioner Wilma Heaton  
Commissioner Michael Stack  
Commissioner Stanley Brien  
Commissioner Carlton Dufrechou  
Commissioner Darrel Saizan  
Commissioner William Hoffman  
Commissioner John Trask  
Commissioner Pearl Cantrelle  
Commissioner Patrick DeRouen  
Commissioner Romona Baudy

**STAFF:**

Louis Capo, Executive Director  
Sharon Martiny, Non-Flood  
Dawn Wagener, Non-Flood  
Chuck Dixon, Marina Director

**ALSO PRESENT:**

Gerard Metzger - Legal Counsel  
Alton Davis - Richard C. Lambert Consultants  
Al Pappalardo - Real Estate Consultant  
David Bacci – Stuart Consulting  
JoAnn Burke – Lake Pontchartrain Basin Foundation

**ADOPT AGENDA**

Commissioner Hoffman offered a motion to adopt the Agenda, seconded by Commissioner Trask and unanimously adopted.

**APPROVAL OF PRIOR MINUTES**

Commissioner Hoffman offered a motion to approve the minutes of the Board meeting held March 22, 2012, seconded by Commissioner Trask and unanimously adopted.

**REPORT BY EXECUTIVE DIRECTOR**

Mr. Capo informed the Board that Financial Disclosure Statements must be filed with the State for each Board member by May 15, 2012. The Blue Angels Air Show and NOLA Navy Week is taking place the week of April 16-22 on Lakeshore Drive. Four broken storm water drains on Lakeshore Drive were repaired as a safety precaution in preparation of the large crowds on Lakeshore Drive during the event. Those repairs cost the Authority \$13,083. Hike for KaTREEena and the SeeBees are currently planting approximately 150 trees, repairing picnic tables and benches and painting the shelter houses. The Authority will pay the cost of watering and staking the trees for one year which will cost approximately \$7,500.

## **COMMITTEE REPORTS**

### **Airport Committee**

Commissioner Saizan noted that all Board members are invited to the Air Show and reception Saturday evening at the Landmark Hangar.

Chairman Lupo advised of a meeting with Andy Velayos of the FAA and deputies from three departments below him that relate to 139 certification of Lakefront Airport. The Authority is on a good path to get 139 certification prior to the Super Bowl. The meeting included a list of things that need to be addressed at the Airport to maintain 139 certification. Bringing 139 certification to Lakefront Airport will boost general aviation work in the future and allow Lakefront Airport to accept charter flights which would be a big plus for the convention business and for finances at Lakefront Airport. The FAA is willing to assist the Authority in obtaining some of the \$30 million per year in state dollars set aside for airports. There is also \$750,000 available in grant money once a project is specified and in place. Commissioner Saizan noted that Commissioner Stack and LADOTD are reviewing ways to qualify for funding to repave the roadway in front of the Airport prior to the rededication. Commissioner Stack started preliminary conversations to get that done prior to the rededication of the Airport.

Commissioner Saizan advised that the repairs needed prior to 139 certification at the Airport are minor in the scheme of things. Mr. Pappalardo noted the majority of the issues dealt with marking and painting runways and degradation of the runways along with lighting issues. There was also a concern regarding taxiways that should be taken out of service. Chairman Lupo noted that the manufacturer of the runway and taxiway directional signage, approved by the FAA 6 years ago, has not lived up to the specs. The signage should have lasted 7 years, but only lasted 2 years and is now the Authority's responsibility.

Commissioner Hassinger commented that during the last several years the Airport Committee and this Board put a lot of effort, time and resources into the Airport and it is great to see the positive results. Commissioner Saizan and Chairman Lupo have done a great job with the Airport. Chairman Lupo added that staff does the brunt of the work with Mr. Capo and Mr. Pruitt who are very dedicated along with the architects and engineers who are contacted on a daily basis for their ideas. Mr. Capo added Chairman Lupo and Airport Chairman Saizan's attendance at meetings with the FAA has helped foster the good relationship the Authority has with the FAA. Chairman Lupo noted that the FAA thought Mr. Pruitt was on top of all issues, but Mr. Pruitt has been given more work than he can handle and is in need of assistance.

Commissioner Stack informed that the DOTD's aviation section is very excited about Lakefront Airport and requested that the Airport Committee keep the DOTD aviation section and Phil Jones apprised on everything built at the Airport. There is a good chance that the Authority will get the money needed to repair the road in front of the Airport. Chairman Lupo advised that these projects have to be completed and inspected before Lakefront Airport can get the 139 certification prior to the Super Bowl. Hopefully, the State can free up money to do some of the things that the Authority does not have the money to do. Commissioner Saizan suggested giving Mr. Jones a tour of the Airport to update him on where the Airport is currently. Alton Davis and Steve Nelson should be present as well as Mr. Pruitt to answer any questions Mr. Jones may have.

Mr. Pappalardo pointed out that the FAA clarified that 139 certification will be good for Lakefront Airport, but it is going to be expensive to administer. It raises the level of inspections and scrutiny at the Airport.

### **Marina Committee**

Commissioner Brien reported of discussions at the Marina Committee meeting with the Orleans Marina Tenants Association over the 10% rent increase. Commissioner DeRouen suggested a way to maintain the revenue that needed to be put back into the

Marina for repairs and treating the 10% increase as an assessment that the Committee would revisit each year.

### **Commercial Real Estate**

The April 5, 2012 Commercial Real Estate meeting was cancelled.

### **Recreation/Subdivision Obligation**

Commissioner Hassinger advised of meetings with all neighborhoods that will be impacted by the traffic brought on by Navy Week activities along the Lakefront. A request was made to the Authorities to post no parking signs at various locations because residents are concerned that park areas will be destroyed. Signs will be delivered for posting or they will be posted. Commissioner Saizan added that in all three entrances to Lake Oaks subdivision will be blocked off. Placards and notifications were distributed advising residents what to expect with the upcoming Navy Week events.

Mr. Capo informed that the Ironman event should be handled as always allowing residents inside Rail to get out and enter onto Beauregard.

Dottie Belleto of New Orleans Convention Company commented that the Navy Week event will bring back people to Lake Pontchartrain and reintroduce them to an important part of New Orleans. This event will be a model for future events on Lakeshore Drive. This event could continue to happen on Lakeshore Drive rather than at Belle Chase Air Force Base due to security issues. There is an election on Saturday and the neighborhoods will be opened for voters and signs will be in place to identify the precincts. The Blue Angels will be flying from Belle Chase and there will be a full dress rehearsal on Friday with St. Michael's and other special groups in attendance. Show Central is past the arena to the right on Lakeshore Drive past the first inlet. Leapfrogs will be parachuting from planes on the Lakefront between the Lake and the street. Parking VIP passes and show VIP passes will be passed out to all Board members. Chairman Lupo advised that a meeting with all interested parties from the Ironman event and the Blue Angels event took place months ago to make sure traffic and parking plans were in place.

Ms. Belleto informed that residents from all neighborhoods will be informed by television, radio and flyers so residents can be apprised of the events that will be taking place in preparation of Navy Week. Chairman Lupo advised that this event will bring attention to Lakeshore Drive and let citizens know the positive things happening there.

Commissioner Stack advised that part of DOTD's responsibility is traffic operation. There are cameras that light up messages on signs which the state highway system can locate all through the North Shore area. The most challenging date for this event is Sunday because it will be a traffic operation challenge to handle the Ironman and the Air Show at the same time. NOPD will be in charge of traffic operations on the day of the event. Ms. Belleto added that details would be called in at any congested area. Police will be on radio contact and reserves will be out in force on motorcycles and in cars during the event. Colonel Robert Williams will have a Command Center on site and his number will be provided because that is the fastest way to get a car dispatched to the appropriate area.

### **Legal Committee**

Commissioner Ernst advised that the Legal Committee forwarded a Motion to the Board which will be discussed.

### **Finance Committee**

Commissioner Hoffman advised that the Finance Committee meeting was cancelled.

## **NEW BUSINESS**

### **Motion No. 01-041712**

#### **Approval of Request by Lake Pontchartrain Basin Foundation to place signage on Lakeshore Drive**

This motion is for placement of a sign proposed by Lake Pontchartrain Basin Foundation at the requested location on Lakeshore Drive at the entrance of the New Basin Canal Lighthouse property at the north end of New Basin Canal.

JoAnn Burke, Lake Pontchartrain Basin Foundation, advised that the Lighthouse is beginning to come on line. Pilings went down, footings and rebar were put in and the slab was poured before the end of March. The columns were poured and the steel structure will arrive shortly. Ground breaking for the Lighthouse was February 27, 2012. The lower level will be used for events and will remain open. The bottom foundation will be finished by April and electrical, woodwork and interior work is scheduled in the summer. The building should be completed in September of 2012.

The sign will be located by to the eastern side of the Lighthouse property, 10 feet back and 10 feet over and will be approximately 48x30 inches. The sign will be two sided so motorists traveling down Lakeshore Drive can see it either way. It will be mounted by two 4x4s with a small concrete footing to hold it in the ground. With the Board's approval we will proceed with the sign. Chairman Lupo requested that Landry's be notified.

Motion No. 01-041712 by Commissioner Hassinger was seconded by Commissioner Hoffman. Commissioner Dufrechou abstained from this vote. The Motion was adopted to wit:

**MOTION:** 01-041712  
**RESOLUTION:** 01-041712  
**BY:** COMMISSIONER SAIZAN  
**SECONDED BY:** COMMISSIONER HEATON

April 17, 2012

### **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 a political subdivision of the State of Louisiana and the governing authority of the non-flood protection assets of the Orleans Levee District;

**WHEREAS**, certain property referred to as the "New Basin Canal Lighthouse" situated in the City of New Orleans located on the north end of the New Basin Canal is one of the non-flood assets of the Orleans Levee District managed and control by the Management Authority, having been formally relinquished to the Orleans Levee District by the United States Coast Guard as set forth in a letter to the Management Authority dated December 15, 2011;

**WHEREAS**, pursuant to Resolution 01-011912, the Management Authority approved a lease with the Lake Pontchartrain Basin Foundation ("LPBF") for the New Basin Canal Lighthouse property on the north end of the New Basin Canal for the construction and operation of a lighthouse museum and education center under the terms and conditions set forth in the written lease which was executed on February 16, 2012;

**WHEREAS**, the LPBF has requested permission from the Management Authority to place a sign on Lakeshore Drive at the entrance to the New Basin Canal Lighthouse property; a rendering and the specifications of such sign are attached;

**WHEREAS**, the placement of the proposed sign was reviewed by the Recreational/Subdivision Committee, which recommended approval of the placement of the proposed sign; and,

**WHEREAS**, the Management Authority, after considering the proposal for the placement of the sign by the LPBF, resolved that it is in the best interest of the Orleans Levee District to approve the placement of the proposed sign.

**BE IT HEREBY RESOLVED**, that the Management Authority approves the placement of the sign proposed by the LPBF at the proposed location on Lakeshore Drive at the entrance of the New Basin Canal Lighthouse property on the north end of the New Basin Canal.

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

**AYES:** LUPU, HASSINGER, ERNST, HOFFMAN, HEATON, STACK, BRIEN, TRASK, SAIZAN, CANTRELLE, DEROUEN, BAUDY

**NAYS:**

**ABSTAIN:** DUFRECHOU

**ABSENT:**

**RESOLUTION ADOPTED:** YES

### **Motion No. 02-041712**

#### **Motion for approval of a contract with New Orleans Tourism and Marketing Corporation for NOLA Navy Week**

Mr. Metzger advised that the standard Location Agreement will be used for this event with New Orleans Tourism and Marketing Corporation having access between April 16 and April 24, 2012. The contract has been approved and signed by Mark Romig. The Agreement was negotiated by Mr. Pappalardo, Chairman Lupo and Mr. Capo with Mr. Romig and his staff. The Management Authority will receive 66% of proceeds received from all authorized vendors for sales of food and beverage and 50% on merchandise sales. Insurance was provided to the Authority and insurance certificates were received by New Orleans Tourism from authorized vendors. New Orleans Tourism is responsible for security for the entire event. The Authority is giving New Orleans Tourism a lease to use the premises and the Authority is getting consideration. The Authority is named as additional insured on all policies and has approximately \$4-\$5 million worth of coverages. Mr. Metzger informed that the limits of liability are \$1 million per incident and \$2 million in the aggregate. Vendors have \$1 million and their aggregate was \$1 million. City Diner has \$2 million in coverage per occurrence. There is no Indemnity Agreement beyond the insurance because New Orleans Tourism is a non-profit. The Authority's Indemnity Agreement is limited but there is a fair amount of insurance for this event. The Authority also has its own liability insurance. The Indemnity Agreement is not what the Authority ordinarily receives, it is only to the extent of available coverage.

Motion No. 02-041712 by Commissioner Hassinger, seconded by Commissioner Heaton was unanimously adopted to wit:

**MOTION:** 02-041712  
**RESOLUTION:** 02-041712  
**BY:** COMMISSIONER HASSINGER  
**SECONDED BY:** COMMISSIONER HEATON

April 17, 2012

### **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 a political subdivision of the State of Louisiana and the governing authority of the non-flood protection assets of the Orleans Levee District;

**WHEREAS**, New Orleans Tourism Marketing Corporation ("NOTMC" or "Producer") has requested to use Lakeshore Drive between Franklin Avenue and the Ted Hickey Bridge and portions of Lakefront Airport and South Shore Harbor (the "Property") for NOLA Navy Week and the Bicentennial Commemoration of the War of 1812 (the "Event") between April 17 through April 21, 2012;

**WHEREAS**, the Management authority manages and controls the Property, and no other consent or authorization is necessary to enable Producer to use the Property for the purposes stated in the Non-

Flood Protection Asset Management Authority proposed Location Agreement between the Management Authority and the Producer, a copy of which is attached hereto;

**WHEREAS**, the proposed Location Agreement between the Producer and Management Authority has been reviewed by the Recreational/Subdivision Obligation Committee, which recommended approval of said Location Agreement; and,

**WHEREAS**, the Management Authority, after considering the proposed Location Agreement, resolved to approve the Location Agreement.

**BE IT HEREBY RESOLVED**, that the Management Authority approves the Location Agreement with the New Orleans Tourism Marketing Corporation.

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

**AYES:** LUPO, HASSINGER, ERNST, HOFFMAN, STACK, BRIEN, DUFRECHOU, SAIZAN, CANTRELLE, DEROUEN, TRASK, BAUDY, HEATON

**NAYS:**

**ABSTAIN:**

**ABSENT:**

**RESOLUTION ADOPTED:** YES

**Motion No. 03-041712**

**Motion for approval to enter into a contract with Professional Service Industries, Inc. in the amount of \$47,592.00 as the low bid for testing services for the James Wedell Hangar**

The contract for construction materials testing and monitoring services is to be awarded to Professional Service Industries, Inc. and compensation for services rendered shall not exceed \$47,592.00 based on actual time spent. Any and all invoices will be required as back-up documentation to be provided in support of services.

Mr. Alton Davis informed that Richard C. Lambert Consultants secured three proposals which were vetted with the low number from PSI. All bids qualified. PSI will provide services including testing of the concrete, pile driving, structural steel and rebar. This is a FEMA reimbursable expense as it is a replacement hangar and considered part of the construction costs.

Motion No. 03-041712 by Commissioner Saizan, seconded by Commissioner Hoffman was unanimously adopted to wit:

**MOTION:** 03-041712  
**RESOLUTION:** 03-041712  
**BY:** COMMISSIONER SAIZAN  
**SECONDED BY:** COMMISSIONER HOFFMAN

April 17, 2012

**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 a political subdivision of the State of Louisiana and the governing authority of the non-flood protection assets of the Orleans Levee District;

**WHEREAS**, the Board approved and authorized a Professional Service Contract on May 26, 2006 with Richard C. Lambert Consultants, LLC to complete the James Wedell Hangar Project,

**WHEREAS**, the Management Authority entered into a Construction Contract on February 24, 2012 with G. M. & R. Construction Company, Inc., hereinafter called “Contractor”;

**WHEREAS**, the Contractor was issued a Notice to Proceed with construction of the James Wedell Hangar project on March 12, 2012;

**WHEREAS**, the Management Authority wishes to employ an independent testing agency for construction materials testing and monitoring services throughout the construction phase of the project;

**WHEREAS**, proposals were submitted for construction materials testing and monitoring services on March 23, 2012; and,

**WHEREAS**, Professional Service Industries, Inc. was the lowest responsive, responsible quoter for the construction materials testing and monitoring services.

**BE IT HEREBY RESOLVED**, that a contract for construction materials testing and monitoring services be awarded to Professional Service Industries, Inc.

**BE IT FURTHER RESOLVED**, that compensation for services rendered in association with materials testing and monitoring shall not exceed \$47,592.00, and will be based on actual time spent. Any and all invoices will require backup documentation be provided in support thereof.

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

**AYES:** LUPO, HASSINGER, ERNST, HOFFMAN, HEATON, STACK, BRIEN, DUFRECHOU, TRASK, SAIZAN, CANTRELLE, DEROUEN, BAUDY

**NAYS:**

**ABSTAIN:**

**ABSENT:**

**RESOLUTION ADOPTED:** YES

**Motion No. 04-041712**

**Motion to amend Terracon's contract in the amount of \$23,064.98 for additional costs incurred during pile driving, concrete and structural steel phases of construction of Bastian-Mitchell Hangar**

This motion is to approve the Supplemental Agreement from Terracon Consultants, Inc. to increase the contract total by \$23,064.98 as shown on Exhibit "A" with all other terms and conditions to remain the same.

Mr. Davis informed this had been vetted by Stuart Consulting. A scope of work was prepared based on our knowledge of construction methods and materials using the best practices to get a fixed number to start the project on the testing end. The full scope is not known until the contractor is hired. There were pile driving delays during the pile driving construction due to FAA requirements which required additional testing days that drove costs up. There is also a different method of erection then was projected due to very large trusses. There is a 200 foot clearspan on the building and two cranes were used costing more money in the structural steel and concrete work. It is not unusual to have testing services change costs based on actual methods and means of construction. It is not unreasonable to expect increases on projects of this magnitude. Steve Nelson from Stuart Consulting vetted this issue and recommended that this be approved.

Motion No. 04-041712 by Commissioner Saizan, seconded by Commissioner Hoffman was unanimously adopted to wit:

**MOTION:** 04-041712  
**RESOLUTION:** 04-041712  
**BY:** COMMISSIONER SAIZAN  
**SECONDED BY:** COMMISSIONER HOFFMAN

April 17, 2012

**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 a political subdivision of the State of Louisiana and the governing authority of the non-flood protection assets of the Orleans Levee District;

**WHEREAS**, the Management Authority is the successor of the former Board of Commissioners of the Orleans Levee District and of the Division of Administration, State of Louisiana, which previously managed the non-flood assets of the Orleans Levee 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 Terracon Consultants, Inc., (“Consultant”) entered into an Agreement on the 16<sup>th</sup> day of November, 2011 for the Consultant to provide construction materials engineering and testing services for the Bastian-Mitchell Hangar at the Airport (“Agreement”);

**WHEREAS**, the current contract total is based on a cost estimate provided by the Consultant dated January 12, 2012;

**WHEREAS**, the cost estimate dated January 12, 2012 contained a mathematical error that did not include the costs for the Pile Static Load Test in the Total Fees;

**WHEREAS**, the Consultant provided the attached revised cost estimate entitled “Table 1 – Cost Estimate Revised1” and dated February 16, 2012 that corrected the error outlined above, and;

**WHEREAS**, the Consultant was forced to exceed the estimated costs for testing and observation during the pile-driving phase of construction due to circumstances outside of their control;

**WHEREAS**, the Consultant acted in good faith to date to provide the testing services required;

**WHEREAS**, the Consultant has also coordinated with the contractor to prepare a revised estimate of projected time required to complete testing services during the concrete and structural steel phases of construction, and,

**WHEREAS**, the Consultant has requested a supplemental agreement to cover the additional costs incurred during the pile-driving phase of construction and to cover the projected additional time required for the concrete and structural steel phases, as shown on Exhibit “A”, attached and made a part herein;

**BE IT HEREBY RESOLVED**, that the Management Authority approves a Supplement Agreement with Terracon Consultants, Inc. to increase the contract total by \$23,064.98, as shown on the attached Exhibit “A”, with all other terms and conditions of the Agreement to remain the same.

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

**AYES:** LUPO, HASSINGER, ERNST, HOFFMAN, HEATON, STACK, BRIEN, DUFRECHOU, TRASK, SAIZAN, CANTRELLE, DEROUEN, BAUDY

**NAYS:**

**ABSTAIN:**

**ABSENT:**

**RESOLUTION ADOPTED: YES**

**Motion No. 05-041712**

**Motion to amend DaVinci Builders, LLC contract in the amount of \$16,152.02 for existing conditions discovered during repair of water line at Orleans Marina**

The total project cost is not to exceed \$46,891.27. The change order grants 30 additional calendar days due to costs and time associated with unforeseen site conditions discovered during excavation. All terms and conditions of the original contract will remain the same.

Mr. Dixon explained that when the contract was let the engineering firm believed that there was a 2-inch water line at Orleans Marina. When the water line was dug out, it was a 4-inch line. The cost of a 4-inch backflow preventer is exponentially more expensive than a 2-inch and the difference in the materials being used for the 2-inch and 4-inch line are more expensive.

Motion No. 05-041712 by Commissioner Brien, seconded by Commissioner Hassinger was unanimously adopted to wit:

**MOTION:** 05-041712  
**RESOLUTION:** 05-041712  
**BY:** COMMISSIONER BRIEN  
**SECONDED BY:** COMMISSIONER SAIZAN

April 17, 2012

**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”), and is a political subdivision of the State of Louisiana;

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

**WHEREAS**, the Management Authority and Da Vinci Builders LLC, (“Contractor”) entered into an Agreement on the 21<sup>st</sup> day of December, 2011 for contractor to replace a portion of an existing waterline at the Marina (“Agreement”);

**WHEREAS**, the Agreement was extended on the 20<sup>th</sup> day of January, 2012, pursuant to a letter from the Management Authority, through March 2, 2012;

**WHEREAS**, the Agreement was extended on the 2<sup>nd</sup> day of March, 2012, pursuant to a letter from the Management Authority, through March 30, 2012; and

**WHEREAS**, Resolution 03-121511 was approved for the sum of \$30,739.25, and the Contractor has requested a change order to cover the costs associated with unforeseen site conditions discovered during excavation and unforeseen requirements of the New Orleans Sewerage and Water Board for a total of \$16,152.02 and 30 additional calendar days.

**BE IT HEREBY RESOLVED**, that the Management Authority approves a Change Order with Da Vinci Builders LLC in the amount \$16,152.02 and with the total project cost not to exceed \$46,891.27 and grant 30 additional calendar days to cover the costs and time associated with unforeseen site conditions discovered during excavation and unforeseen requirements of the New Orleans Sewerage and Water Board, with all other terms and conditions of the Agreement to remain the same.

**BE IT FURTHER RESOLVED**, that the Management Authority authorizes the Chairman or Executive Director to sign any and all documents necessary to carry out the above.

**AYES:** LUPO, HASSINGER, ERNST, HOFFMAN, HEATON, STACK, BRIENM, DUFRECHOU, TRASK, SAIZAN, CANTRELLE, DEROUEN, BAUDY

**NAYS:**

**ABSTAIN:**

**ABSENT:**

**RESOLUTION ADOPTED:** YES

**Motion No. 06-041712**

**Motion for approval to settle *Richmond v. Board of Commissioners***

Mr. Metzger advised that the defense costs in this case are driving settlement. Mr. Pappalardo estimates the Authority will lose approximately \$6,000 in rent for the extended two years of the lease. Continuing with this lawsuit will cost over \$10,000. To date, the Authority has spent \$12,000 and the cost to continue the lawsuit would be substantial. Mr. Metzger highly recommended settlement of the lawsuit as a business decision. Commissioner Heaton added that this issue was vetted at the Legal Committee meeting on April 5, 2012 and there was no person who had any hesitation about recommending this be settled.

Commissioner Cantrelle abstained from the vote on Motion No. 06-041712.

Motion No. 06-041712 by Commissioner Ernst, seconded by Commissioner Brien was adopted to wit:

**MOTION:** 06-041712  
**RESOLUTION:** 06-041712  
**BY:** COMMISSIONER HOFFMAN  
**SECOND BY:** COMMISSIONER SAIZAN

April 17, 2012

**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 a political subdivision of the State of Louisiana and the governing authority of the non-flood protection assets of the Orleans Levee District, and is also the successor of the former Board of Commissioners of the Orleans Levee District;

**WHEREAS**, on August 18, 2004 Cedric Richmond leased from the former Board of Commissions of the Orleans Levee District property located in the South Shore Harbor Marina consisting of water bottoms and the covered slip located thereon, and more particularly described as Covered Slip #19 (the “Lease”);

**WHEREAS**, the Lease was for a term of twenty-four (24) years and six (6) months, effective as of August 18, 2004 until February 18, 2029;

**WHEREAS**, the monetary consideration for the Lease was rent in the sum of \$74,016.00 all of which was paid at the inception of the Lease;

**WHEREAS**, on or about August 29, 2005, Hurricane Katrina struck the Gulf Coast, causing substantial damage to South Shore Harbor Marina and the covered boat slips, including Covered Slip #19;

**WHEREAS**, on or about June 8, 2006 Mr. Richmond requested a refund of all rents prepaid to the Orleans Levee District as of August 29, 2005 alleging he had been deprived of access to and use of Covered Slip #19 since that date;

**WHEREAS**, on December 29, 2006, Mr. Richmond filed a lawsuit for return of the prepaid rent and cancellation of his Lease because of the loss of use caused by Hurricane Katrina, in the case numbered and entitled “*Richmond v. Board of Commissioners of the Orleans Levee District*,” Civil District Court for the Parish of Orleans, State of Louisiana, Case No. 06-14319, Sect. “L-6”;

**WHEREAS**, the Division of Administration, Non-Flood Asset Division of the Orleans levee District, as successor of the Board of Commissioners of the Orleans Levee District, granted all covered boat slips lessees, who had long term leases with prepaid rent, a three (3) year lease extension for the loss of use of the leased premises because of the damage caused by Hurricane Katrina at South Shore Harbor;

**WHEREAS**, Mr. Richmond has agreed to dismiss the litigation with prejudice in consideration of a two (2) years extension of the Lease, in addition to the three (3) years extension granted to the covered boat slip lessees with long term prepaid leases (the “proposed settlement”);

**WHEREAS**, the proposed settlement of the litigation has been reviewed by the Legal Committee, which recommended approval of the proposed settlement; and,

**WHEREAS**, the Management Authority after considering the proposed settlement resolved that it is in the best interest of the Orleans Levee District to approve the proposed settlement with Cedric Richmond;

**BE IT HEREBY RESOLVED**, that the Management Authority approves the proposed settlement with Cedric Richmond.

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

**AYES:** LUPO, HASSINGER, ERNST, HOFFMAN, HEATON, STACK, BRIENM, DUFRECHOU, TRASK, SAIZAN, DEROUEN, BAUDY

**NAYS:**

**ABSTAIN: CANTRELLE**

**ABSENT:**

**RESOLUTION ADOPTED: YES**

**Motion No. 07-041712**

**Motion and discussion of financial impact of SB# 699**

Chairman Lupo advised that Commissioner Hassinger requested this item be added to the Agenda because Senate Bill 699 has the potential to have devastating consequences for the work the Authority is doing. The Bill would transfer ownership of Lakefront Airport to the New Orleans Aviation Board with no compensation to this Authority. Some of the observations regarding this issue are:

- 1) This Board was not consulted prior to SB 699 being filed. The group that crafted the Bill showed disrespect for this Authority and it is not good government for the Bill to be filed with no discussion with this Authority.
- 2) This Authority and the Airport Committee have done a great job bringing Lakefront Airport back to life over the last several years. The work has been responsible, transparent, honest, organized and prioritized.
- 3) Since Katrina, this Authority has loaned Lakefront Airport over \$10 million for urgent necessary renovations which money could have been spent on other non-flood projects. The idea that the Airport would be transferred to a City agency with no compensation is unfair.
- 4) The 139 certification of Lakefront Airport is a huge issue. This Authority is in the middle of that process with the FAA and this Bill will disrupt that process.
- 5) The New Orleans Aviation Board from what I hear on the on TV, radio and in the newspaper has issues and they have a full plate with lots to deal with. Whoever the current Board members or Executive Director is today could be someone else in the future. Whoever it is, they have lots of issues and do not need or cannot handle an additional airport.

A structure is in place to effectively rehab and manage Lakefront Airport which is a result of hard work by people at this table and in Baton Rouge over the last several years. The structure includes much study, commitment, cooperative effort, and leadership by the Governor, legislators, local officials and residents of New Orleans. To manage Lakefront Airport, bring it back to life and make it profitable is this Authority's statutory obligation. This Bill is ill-founded and will be devastating to this Authority, preventing the Authority from accomplishing the mission of bringing all non-flood assets back to life and effectively managing the Lakefront long-term.

Chairman Lupo advised of a meeting with the Airport Chairman and the Finance Chairman along with Jay Ithicar, Director - New Orleans Aviation Board; Nolan Rowans, Chairman - New Orleans Aviation Board, Jay Lapare, Business Council and C.J. Blouch, lobbyist representing the City through the New Orleans Aviation Board. The same points expressed by Commissioner Hassinger were relayed to the New Orleans Aviation Board. In the meeting Chairman Lupo suggested identifying synergies that could be accomplished by this Authority working with the New Orleans Aviation Board to bring general aviation at Lakefront Airport to its highest and best use. A request was made to pull the Bill and committees be put together from the Authority's Board and New Orleans Aviation Board for further discussions regarding the Bill while there is legislation pending in Baton Rouge.

Commissioner Hoffman advised that the Board should take the official position that the Authority is opposed to the Bill, but the Authority is willing to discuss the issue with all interested parties. It is important to note that the Authority has gone on record with the Airport Authority to request a meeting to discuss the issues out on the table. The

Authority's goal is to get the best value out of Lakefront Airport in an open, transparent process that will address concerns of all constituents.

Commissioner Hassinger offered a motion authorizing the Authority to issue a letter to the New Orleans Delegation and the Senate Transportation Committee advising that this Authority is opposed to Senate Bill 699 for the reasons stated above. Commissioner Dufrechou seconded Commissioner Hassinger's motion to issue a letter to the New Orleans Delegation and the Senate Transportation Committee.

Commissioner Hoffman noted that Senator Murray has helped the Authority. As Senator Murray offered the bill, before the Authority forward a letter to the Senate Transportation Committee and New Orleans Delegation, the issue should be discussed with Senator Murray who may be able to pull the Bill without this getting to be a big deal.

Commissioner Hassinger clarified that the motion is to authorize the Authority to notify the New Orleans Delegation and the Senate Transportation Committee that the Authority is opposed to Senate Bill 699. Prior to issuing the letter, the Chairman will contact Senator Murray and express the Authority's position and request that Senator Murray withdraw the Bill. This would be effective if this motion had a unanimous vote.

Mr. Metzger confirmed that the motion will authorize the Authority to notify the New Orleans Delegation and the Senate Transportation Committee that the Management Authority is opposed to the passage of Senate Bill #699. Prior to issuing that letter the Authority will issue notice of this resolution that is about to be adopted by the Board. The resolution will include the Authority's intent to notify the New Orleans Delegation that the Authority is opposed to Senate Bill 699. Prior to issuing notification of the Authority's opposition, the Authority Chairman will request the sponsor of the Bill to withdraw the Bill.

Mr. Metzger advised that this Agenda item consists of a motion and discussion on the financial impact of Senate Bill 699. A motion to amend that motion is needed first and then a vote on the motion.

Chairman Hassinger moved to amend Agenda Item #12-7 consistent with the discussions, seconded by Commissioner Ernst. Commissioner Heaton abstained from the vote.

A unanimous vote for the motion as amended was taken with Commissioner Heaton abstaining from the vote.

Motion No. 07-041712 by Commissioner Hassinger, seconded by Commissioner Dufrechou was adopted to wit:

**MOTION:** 07-041712  
**RESOLUTION:** 07-041712  
**BY:** COMMISSIONER HASSINGER  
**SECONDED BY:** COMMISSIONER DUFRECHOU

April 17, 2012

**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 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 Management Authority is the successor of the former Board of Commissioners of the Orleans Levee District and Division of Administration, State of Louisiana, which previously managed the non-flood protection assets of the Orleans Levee District;

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

**WHEREAS**, Hurricane Katrina struck the Gulf Coast on August 29, 2005 and caused catastrophic damage to the New Orleans Lakefront Airport;

**WHEREAS**, while the Orleans Levee District was under the management and control of the former Board of Commissioners of the Orleans Levee District and of the Division of Administration, reconstruction of the Airport was commenced;

**WHEREAS**, after the Management Authority was established in August of 2010, the Management Authority continued the recovery efforts and reconstruction of the Airport;

**WHEREAS**, the reconstruction of the Airport, including infrastructure repairs, the construction of hangars and a complete renovation of the Terminal Building at the Airport, was financed with property insurance proceeds, FEMA funds and loans made by the Orleans Levee District to the Airport;

**WHEREAS**, since Hurricane Katrina the Orleans Levee District has loaned the Airport over \$10 Million Dollars for the recovery and reconstruction of the Airport;

**WHEREAS**, Senate Bill No. 699 currently pending before the Louisiana Legislature provides for the transfer or the ownership, management and control of the New Orleans Lakefront Airport from the Orleans Levee District to the New Orleans Aviation Board;

**WHEREAS**, Senate Bill No. 699 does not provide for the repayment of the funds loaned by the Orleans Levee District for the recovery and reconstruction of the Airport since Hurricane Katrina;

**WHEREAS**, the passage of Senate Bill No. 699 would deprive the Orleans Levee District of the opportunity of recovering the funds it has loaned to the Airport for its recovery and reconstruction since Hurricane Katrina; and,

**WHEREAS**, the Management Authority resolved that the passage of Senate Bill No. 699 would be detrimental to the interest of the Orleans Levee District.

**BE IT HEREBY RESOLVED**, that the Management Authority opposes the passage of Senate Bill No. 699 as contrary to the best interest of the Orleans Levee District;

**BE IT HEREBY FURTHER RESOLVED**, that the Chairman of the Management Authority shall notify the members of the New Orleans Legislative Delegation of the opposition of the Management Authority to the passage of Senate Bill No. 699 and provide a copy of this Resolution to each member of the New Orleans Legislative Delegation; and,

**BE IT HEREBY FURTHER RESOLVED**, that prior to issuing notice of the opposition of the Management Authority to the passage of Senate Bill No. 699 and providing a copy of this Resolution to the members of the New Orleans Legislative Delegation, the Chairman of the Management Authority shall request that the legislative sponsor of Senate Bill No. 699 withdraw the Bill from consideration by the Louisiana Legislature.

**BE IT FURTHER RESOLVED**, that the Authority Chairman or Executive Director sign any and all documents to carry out the above.

**AYES:** LUPO, HASSINGER, ERNST, BAUDY, HOFFMAN, CANTRELLE, STACK, BRIEN, TRASK, SAIZAN, DEROUEN, DUFRECHOU

**NAYS:**

**ABSTAIN:** HEATON

**ABSENT:**

**RESOLUTION ADOPTED: YES**

Chairman Lupo advised that an e-mail will be circulated advising Board members of the conversation with Senator Murray and if the Authority needs to move forward with the letter based on whether Senator Murray will withdraw the Bill. Commissioner Cantrelle suggested that each Board member contact the person they were appointed by regarding this issue.

**NEXT BOARD MEETING**

Mr. Capo announced the next full Board meeting was scheduled for Thursday, May 17, 2012 at 5:30 p.m.

**ADJOURNMENT**

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

The meeting adjourned at 7:19 p.m.