

**THE NON-FLOOD PROTECTION ASSET MANAGEMENT AUTHORITY
MINUTES OF THE SPECIAL BOARD MEETING
THURSDAY MAY 22, 2013 – 6:30 P.M.**

A special meeting of the Board of the Non-Flood Protection Asset Management Authority of the Orleans Levee District was held on Wednesday, May 22, 2013 at 6:30 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 6:35 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 William Hoffman
Commissioner Wilma Heaton
Commissioner Michael Stack
Commissioner Carlton Dufrechou
Commissioner John Trask
Commissioner Darrel Saizan
Commissioner Pearl Cantrelle

ABSENT:

Commissioner Romona Baudy
Commissioner Stanley Brien
Commissioner Patrick DeRouen
Commissioner Nyka Scott

STAFF:

Louis Capo - Executive Director
Sharon Martiny - Non-Flood
Fred Pruitt – Airport Director
Tony Collins – Airport

ALSO PRESENT:

Al Pappalardo - Real Estate Consultant
Gerard Metzger - Legal Counsel
Alton Davis – Richard C. Lambert Consulting
Brayton Matthews – Flightline First
Ben Meyers – City Business
Ray Landeche – Lakeshore Subdivision

ADOPT AGENDA

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

OPENING COMMENTS

Chairman Lupo informed the Board that the Commemorative Air Force is looking for a new headquarters. There are 70 franchises around the country that house old war birds and their criteria fit the New Orleans Lakefront Airport. There are synergies between the WWII Museum and the Commemorative Air Force that make Lakefront Airport a good location for the new headquarters. There will be an informational meeting June 20, 2013 and the Commemorative Air Force will request proposals from airports on what each airport can provide. The people at WWII Museum will assist this Authority to put together a team to provide facts about Lakefront Airport in a presentation because of WWII Museum's interest in re-locating the Commemorative Air Force to Lakefront Airport.

NEW BUSINESS

Motion No. 01-052213 - Authorize the issuance of a revised Request for Qualifications and Proposals for restaurant/caterer at Lakefront Airport

Chairman Lupo advised that there were two specific areas of concern regarding the RFP/Q for the Restaurant/Caterer at Lakefront Airport. One issue was the question of the submittal received being responsive. It was the Board's impression that the submittal was not responsive and elected to throw it out and re-advertise the RFQ/P. To avoid future problems an ad hoc Legal Review Committee will be formed to review the RFP/Q for content and format and to review submissions for their responsiveness. An ad hoc Real Estate Review Committee will be formed to review the RFP/Q process and submit to the Board the method and particulars for advertisement of the RFP/Q. This RFP/Q should be distributed to anyone the Committee thinks should see it. A Grading Committee and a grading process is currently in place. The Real Estate Review Committee will review the grading system and present their comments to the full Board who receives the highest grade and why.

Commissioner Heaton noted that the process may be over-complicated as the issue was not in technical legalities of the RFP/Q. The issue was distribution of the RFP/Q because there was confirmation that it was not distributed to the Restaurant Association's membership. Hundreds of Association members confirmed they did not receive the RFP/Q. That has nothing to do with the technicalities of the RFP/Q. An advertisement for the RFP/Q should be placed in the newspaper, which was not done previously. The minor corrections are Page 7 under Selection Process, the word "Airport Committee" should be inserted and on Page 9 the word "mandatory" should be deleted for the tour. I am confident that the RFP/Q has been adequately rewritten and should be approved tonight. The RFP/Q does not have to be governed by committees as the Authority is on a tight schedule.

Chairman Lupo agreed and noted he was comfortable that the RFP was sufficiently reviewed for content and format, but requested that the submissions be reviewed for responsiveness prior to submission to the Grading Committee. Commissioner Heaton suggested that the Grading Committee be comprised of members from the Airport Committee in concert with the Real Estate Consultant who has the capacity to review and present a grading system to the Full Board. The Board is looking for a good proposal. This proposal will encompass the food portion of the RFP along with the business portion and the Authority has an excellent Finance director to assist in the business portion. Each Board member brings skill to the table and each member has a fiduciary responsibility to do their job. The Grading Committee is an extra layer that is not needed. Mr. Pappalardo is a real estate consultant and his expertise can assist in guiding the Authority through this process. Every Board member is highly qualified and capable of working through this process and doing their job.

Commissioner Saizan noted that the tour is important for bidders to see the facility and how the building is laid out. The word "mandatory tour" should be replaced with "strongly encouraged tour" of the facility. Mr. Pappalardo will make one presentation on what is expected and bidders are strongly encouraged to view the progress in the building. Chairman Lupo noted that prudent businessmen would do the tour so this will weed out the unprudent businessmen.

Commissioner Ernst noted the Legal Review Committee would review the responsiveness of the submittals before being turned over to the Grading Committee. It is possible there could be legal problems because the committee would be interfering with the bid process. Weeding out those responses that are not responsible seems like adding an extra step which could be violative of the bidders' rights.

Mr. Metzger informed that previously responsiveness dealing with kitchen equipment and neglecting to indicate the fixed annual rental rate were the big issues. The opinion of the committee evaluating the responses was that the submittal was responsive for the nature of the RFQ/P. This was not an invitation for bids under the Public Bid Law where strict compliance was required. The process would not weed bidders out. It

would bring the process to the next level, the Real Estate Review Committee, and advise what bids are not responsive. The revised document makes crystal clear that the lessee is putting the kitchen in and a fixed annual rent is required.

Commissioner Heaton advised that Page 8 of the original RFP/Q states that the Board reserves the right to reject and not negotiate with any responder. There was no comfort level when the Board discovered the RFP/Q had not been advertised in the paper and several other things had not happened. As a Board we did not have a comfort level and no legal.

Commissioner Stack noted that the Authority is limiting potential responders by putting stipulations such as a mandatory walk through in the RFQ/P. Stipulations limit the pool of bidders. Bidders who attend the walk through could receive extra points in the scoring process. The RFQ/P should be open to everybody and the Scoring Committee would be charged with evaluating the proposals. Any questions should be submitted via e-mail and responses copied to all that attended the walk through so all bidders are on the same page. The “mandatory walk-through” can be replaced with “strongly suggested walk-through”.

Chairman Lupo agreed with modifying the language and that extra points are given to bidders who attended the walk-through. The categories for scoring the RFP/Q are:

- Ability to meet minimum standards – 30%
- Concept of programming and operational format - 25%
- Proposed lease terms – 20%
- Evaluation of current business - 15%
(Structure, Operation, Sales, Marketing, and Menu Concept)
- Minority participation – 10%.

Chairman Lupo advised that two extra bonus points would be given to those who attend the strongly recommended walk through. Questions submitted 72 hours or less prior to the bid opening will not be answered in order to establish a cut-off time for questions.

Commissioner Stack suggested Mr. Metzger and/or Mr. Pappalardo determine if bids are responsive or not. The Scoring Committee will not make a difference because all Board members are intelligent and the attorneys on the Board will advise if the bidder is responsive to the RFP/Q. Commissioner Hoffman noted that some responses may meet the legal requirement of what the wording is, but it does not necessarily meet the intent of the wording leaving some judgment that would go into scoring the RFQ/Ps. A legal opinion cannot be given on whether something is responsive.

Chairman Lupo stated that the comments from Legal Counsel, attorneys on the Board and Commissioner Stack have made Board members feel comfortable that the RFP/Q process. The rules and regulations are in place to prevent people from making complaints regarding the RFP/Q process, how the Legal Counsel looked at the responses and how responses were graded by the Grading Committee. The Legal Review Committee will not be needed as the Board will determine responsiveness on the submittals. The Airport Committee will review and score the responses.

Mr. Metzger advised that the motion to amend the RFP/Q will include changing “Management Authority” to the “Airport Committee” to select the best qualified proposal on page two. The second sentence will be deleted because it will not be needed. Commissioner Heaton made a motion to amend the RFP/Q, seconded by Commissioner Cantrelle and unanimously adopted. Page seven will read, “This Request for Qualifications and Proposals will be made available to all interested and qualified groups”. The third sentence will read, “The Airport Committee will select the best qualified proposal and invite the selected proposals for interviews, menu tasting and a tour of their current operations”. Bonus points for the walk through will be in the section Mandatory Pre-Proposal Tour, which will be amended to read, “Strongly Encouraged Pre-Proposal Tour”.

The walk-through is June 7th and questions should be submitted by June 10th. Proposals are due Friday, June 21st and the responses will be distributed 72 hours prior which is the close of business Tuesday, June 19th. Mr. Capo, as the Executive Director, is authorized to answer the questions that are submitted. There will be one person in charge of answering the questions by e-mail. The Executive Director will confer with the Legal Counsel if it is a legal question.

Chairman Lupo advised that there is a motion before the Board by Commissioner Heaton containing the changes that were just described. The motion was seconded by Commissioner Cantrelle and unanimously adopted by the Board.

Chairman Lupo advised that the method of advertising the RFP/Q should be discussed and a decision should be made at this meeting. Commissioner Heaton suggested placing a standard ad in the both the Advocate and the Times Picayune and posting the ad on the Authority website. The executives of the Restaurant Association for the State of Louisiana have been advised of the RFP/Q and proof will be provided that the RFP/Q was delivered as well. The National Restaurant Association of Chicago will not consider posting the RFP/Q until the State Association has posted it. Members of the Restaurant Association will be polled to ensure the RFP/Q was shared with the members.

Chairman Lupo noted for the record that there will be no Submittal Grading Committee, Legal Review Committee or Real Estate Review Committee. The Airport Committee will review the responses of the bidders for responsiveness. Chairman Lupo requested that Vincent Caire, the Executive Director and Sharon Martiny the Executive Director's Secretary attend the tour.

Commissioner Ernst offered a motion to Re-Issue the RFP/Q for Restaurant Special Events Caterer for the New Orleans Lakefront Airport, seconded by Commissioner Trask and unanimously adopted to wit:

MOTION: 01-052213
RESOLUTION: 01-052213
BY: COMMISSIONER EARNST
SECONDED: COMMISSIONER TRASK

May 22, 2013

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 buildings and other facilities at the Airport, including the Terminal Building, were severely damaged by Hurricane Katrina which struck southeastern Louisiana in August of 2005;

WHEREAS, the Management Authority has invested over \$20 million to return the interior and the exterior of the terminal back into a fine example of the original Art Deco architecture and includes the complete restoration of the Walnut Room, the bar area, the café, and the atrium at the Terminal;

WHEREAS, in anticipation of the reopening of the Terminal, the Management Authority contracted with Total Marketing Solutions, L.L.C. to develop a Request for Qualifications and Proposals for food service at the Airport Terminal, including catering and special events and restaurant and bar operations;

WHEREAS, Total Marketing Solutions, L.L.C. with the assistance of the Executive Director, Real Estate Consultant and counsel for the Management Authority prepared a Request for Qualifications and Proposals ("RFQ&P") for restaurant and catered special event management at the Terminal for consideration by the Airport Committee of the Management Authority;

WHEREAS, after the Airport Committee reviewed and recommended approval of the RFQ&P, the Management Authority at its monthly meeting held on February 21, 2013 adopted a resolution approving the RFQ&P and authorized the Executive Director to issue the RFQ&P;

WHEREAS, only one proposal was received in response to the RFQ&P from a joint venture that included Crescent City Consultants, New Orleans Convention Company, Inc. and Outstanding Catering Group;

WHEREAS, the Airport Committee at its meeting held on April 30, 2013 resolved to recommend to the Management Authority that the Management Authority's Executive Director, Real Estate Consultant, Legal Counsel, and other consultants be authorized to negotiate a lease with the Joint Venture, which lease would be subject to the approval of the Management Authority;

WHEREAS, the Management Authority at a Special Board Meeting held on May 6, 2013 deferred the matter to the regularly scheduled Board Meeting scheduled for May 16, 2013;

WHEREAS, the Management Authority at a Special Board Meeting held on May 16, 2013 resolved that it was in the best interest of the Orleans Levee District and New Orleans Lakefront Airport to revise and reissue the RFQ&P; and,

WHEREAS, the Management Authority at a Special Board Meeting held on May 22, 2013, after discussion and amendments adopted to the Request for Qualifications and Proposals, approved the issuance of the Request for Qualifications and Proposals For the Lease of the Restaurant Facilities and Agreement for Special Events at the Newly Renovated New Orleans Lakefront Airport Terminal, a copy of which is attached to this Resolution, and authorized the Executive Director to issue the RFQ&P with responses due by no later than June 21, 2013;

THEREFORE, BE IT HEREBY RESOLVED, that the Management Authority approves the Request for Qualifications and Proposals For the Lease of the Restaurant Facilities and Agreement for Special Events at the Newly Renovated New Orleans Lakefront Airport Terminal, a copy of which is attached to this Resolution, and authorizes the Executive Director to issue the Request for Qualifications and Proposals for responses by no later than June 24, 2013.

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.

YEAS: LUPO, HASSINGER, ERNST, HOFFMAN, HEATON, STACK, DUFRECHOU, TRASK, SAIZAN, CANTRELLE

NAYS:

ABSTAIN:

ABSENT: BAUDY, BRIEN, DEROUEN, SCOTT

RESOLUTION ADOPTED: YES

PUBLIC COMMENTS

Brayton Matthews – Flightline First

Mr. Matthews advised that the Red Tail Squadron will be at Lakefront Airport along with the media, but the weather may not cooperate. There was a loaner air P-51 because the weather prevented the Red Tail planes. All Board members are invited to come out for this event. Flightline will be giving rides to a number of people in the Stearman. The event was very well received today and there were approximately 150 school children in attendance. There were no problems with the crowds. This is a good event for Lakefront Airport.

NEXT BOARD MEETING

The next full Board meeting of the Non-Flood Protection Asset Management Authority is scheduled for Thursday, June 20, 2013 at 5:30 p.m.

ADJOURNMENT

Commissioner Trask offered a motion to adjourn, seconded by Commissioner Ernst and unanimously adopted. The meeting adjourned at 7:57 p.m.