

THE NON-FLOOD PROTECTION ASSET MANAGEMENT AUTHORITY  
MINUTES OF THE FULL BOARD MEETING  
THURSDAY DECEMBER 5, 2013 – 5:30 P.M.

The monthly meeting of the Board of the Non-Flood Protection Asset Management Authority of the Orleans Levee District was held on Thursday December 5, 2013 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 Scott called the meeting to order at 5:30 p.m. and led in the Pledge of Allegiance. The roll was called which constituted a quorum.

**PRESENT:**

Chairman Nyka Scott  
Vice Chairman Ernst  
Commissioner John Trask  
Commissioner Wilma Heaton  
Commissioner William Hoffman  
Commissioner Pearl Cantrelle  
Commissioner Michael Stack  
Commissioner Darrel Saizan  
Commissioner Eugene Green  
Commissioner Patrick DeRouen  
Commissioner Stan Brien

**ABSENT:**

Secretary Romona Baudy  
Commissioner Robert E. Smith Lupo  
Commissioner Carlton Dufrechou

**STAFF:**

Louis Capo - Executive Director  
Sharon Martiny – Non-Flood  
Dawn Wagener – Non-Flood  
Vincent Caire – Non-Flood  
Chuck Dixon – Marina Director

**ALSO PRESENT:**

Al Pappalardo - Real Estate Consultant  
Gerard Metzger - Legal Counsel  
Alton Davis – Richard C. Lambert Consulting  
Chris Fenner – Stuart Consulting Group  
Beau Baudier – DEI  
Walter Baudier - DEI  
Ted Hamilton – Landmark Aviation  
Addie Fanguy – Landmark Aviation  
Chad Farischon – Landmark Aviation  
Brayton Matthews – Flightline First  
Bonny Schumaker – Flightline First  
Bill Koch - Hawthorne  
Jonathan Buff – Hawthorne  
Ray Landeche – Lakeshore Subdivision

**ADOPT AGENDA**

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

**APPROVE MINUTES**

Commissioner Hoffman offered a motion to approve the minutes of the September 19, 2013 and October 17, 2013 Board meetings, seconded by Commissioner DeRouen.

Mr. Capo introduced Commissioner Rodger Wheaton who was appointed by the four neighborhood associations. Chairman Scott advised that the Agenda would be amended to move New Business as the first issue on the Agenda with Item No. 05-120513 being heard first under New Business.

Commissioner Wheaton offered a Motion to Amend the Agenda, seconded by Commissioner Saizan and unanimously adopted by a roll call vote.

### **COMMITTEE REPORTS**

**Airport Committee** – Commissioner Heaton advised that the Airport Committee has been really busy and will forward a written report regarding ancillary issues to keep the Board apprised.

**Marina Committee** – Commissioner Brien advised that Mr. Dixon is working closely with the South Shore Harbor Marina Tenants Organization on security issues. There is an event scheduled on January 4, 2014 with a food truck to determine the response to food and beverage service at South Shore Harbor Marina.

**Commercial Real Estate Committee** – Due to Commissioner Ernst's absence there was no Commercial Real Estate update.

**Recreation/Subdivision Committee meeting** –The Recreation/Subdivision Committee meeting was cancelled.

**Legal Committee** – The Legal Committee meeting was cancelled.

**Finance Committee** – Commissioner Hoffman advised that Finance Committee issues would be covered in the Resolutions.

### **NEW BUSINESS**

**Motion 01-120513 – Motion to approve rescheduling the December, 2013 regular monthly meeting of the Management Authority from December 19, 2013 to December 5, 2013 at 5:30 p.m. at the Lake Vista Community Center**

Chairman Scott offered a motion to reschedule the December 19, 2013 meeting, seconded by Commissioner Ernst and unanimously adopted to wit:

**MOTION: 01-120513**  
**RESOLUTION: 01-120513**  
**BY: CHAIRMAN NYKA SCOTT**  
**SECONDED: COMMISSIONER ERNST**

December 5, 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**, in accordance with the By-Laws of the Management Authority, the regular monthly meeting of the Management Authority for the month of December, 2013 is scheduled for Thursday, December 19, 2013 at 5:30 p.m. at the Lake Vista Community Center;

**WHEREAS**, in view of the Holiday Season and in order to have a quorum present at the December, 2013 meeting, the Chairman has moved to reschedule the December, 2013 meeting to December 5, 2013 at 5:30 p.m. at the Lake Vista Community Center;

**WHEREAS**, the By-Laws, as amended, of the Management Authority provide that the Management Authority shall hold its regular monthly meeting on the third Thursday of every month, except in the month of November, and that the regular meeting may be held on another day of the month as determined by a majority vote of the total present voting membership of the Authority at a regular or special meeting; and,

**WHEREAS**, the Motion to reschedule the December meeting to December 5, 2013 was duly seconded and after discussion was duly adopted by the Management Authority.

**THEREFORE, BE IT HEREBY RESOLVED**, that the December, 2013 regular monthly meeting of the Management Authority be and is hereby rescheduled and shall be held on December 5, 2013 at 5:30 p.m. at the Lake Vista Community Center.

**BE IT HEREBY 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:** SCOTT, ERNST, HEATON, TRASK, HOFFMAN DEROUEN, CANTRELLE, STACK, BRIEN, SAIZAN, WHEATON  
**NAYS:** NONE  
**ABSTAIN:** NONE  
**ABSENT:** BAUDY, LUPO, DUFRECHOU, GREEN  
**RESOLUTION ADOPTED:** YES

Mr. Capo advised that Motion No. 05-120513 will be moved to Motion No. 02-120513 due to the Amended Agenda.

**Motion 02-120513 – Motion to authorize the Executive Director, Real Estate Consultant and Legal Counsel of the Management Authority to engage in negotiations with prospective tenant for lease of the Bastian-Mitchell Hangar at the New Orleans Lakefront Airport Terminal, which lease agreement will be subject to the approval of the Management Authority**

Commissioner Heaton advised the Board that an RFP for the Bastian-Mitchell Hangar was approved and advertised for 90 days on recommendation of the FAA. The Authority went above and beyond to get the RFP out and receive proposals. Two proposals were received, both from current FBOs. There was a general discussion at the Airport Committee as there was no quorum present. A special meeting was held November 21, 2013 to allow the proposers to give an additional presentation as the Bastian-Mitchell lease is a very important decision. Much due diligence was put into this issue and it is a win/win situation for the Authority. A financial analysis was prepared and presented at the Airport Committee meeting by Beau Baudier of DEI. A copy of the financial analysis and power point will be attached to the Board meeting minutes.

Beau Baudier, DEI, prepared a brief overview of the financial analysis and how the calculations were determined. DEI wanted a fair, objective analysis and development of the financial model so a net present value calculation was utilized to adjust for future cash flows due to inflation. Four components drove the MPV calculation: base rent, insurance payments, fuel flowage and parking space rental. A CPI of 2.39% was used for the analysis, which is the average over the last 10 years. A 26 year lease term was used as this was the least common denominator of both proposing parties. A sensitivity analysis was prepared using variables to show the effect if those variables changed.

The conclusion in terms of Net Present Value (NPV), Landmark proposed an additional \$243,654 in revenue over the proposed 26-year lease term due to insurance payments, flowage fees and parking. Hawthorne's base rent was higher than Landmark's, but was offset by the insurance payments, flowage fees and parking. The major flowage fee calculation factor is Landmark's Letter of Intent to lease space from a Fortune 500 company which would result in higher flowages the first year. Landmark's insurance payments were higher due to Landmark's proposal of both the entire base rent and insurance premium would increase by the CPI. Landmark proposed 40 parking spaces and although no parking spaces were indicated in Hawthorne's proposal Hawthorne was credited with 20 parking spaces. The sensitivity analysis changes the fuel rates and CPI to a range of different numbers and in all cases Landmark provides additional value over Hawthorne's proposal. DEI held phone interviews with both proposers. Both proposers were asked the same 14 questions which are shown on Appendix A and there was no additional communication outside of the 14 questions during the telephone interview.

Commissioner Hoffman addressed Landmark's Letter of Intent from the Fortune 500 company and questioned if this was a verbal or written Letter of Intent. Chairman Scott advised that Landmark cannot produce the written Letter of Intent due to confidentiality issues.

Commissioner Heaton advised that she was very comfortable with DEI's financial analysis which was presented in a very thorough and fair process. Both entities were asked to present any remarks tonight to the full Board regarding the financial analysis. The proposers have not seen the financial analysis out of a fairness issue, but the financial analysis is now public record.

## **COMMENTS**

### **Bill Koch, Chairman – Hawthorne Global Aviation Services**

Mr. Koch stated that Hawthorne received the financial analysis information one hour ago and has not had the opportunity to crunch numbers. This Authority has spent years on the Bastian-Mitchell Hangar raising the capital, designing the facility and building the facility which will have a major impact on Lakefront Airport. The initial analysis from DEI is not an accurate representation as the most important RFP criteria is not used in the analysis which included rent and lease term which were important considerations. Hawthorne unequivocally proposed the best rent by every measure and also proposed a lease term 24 years longer than Landmark's lease term, however a decision was made to use a 26-year lease term. New elements were used that were not part of the RFP consideration such as parking spaces. Further analysis is needed as three of the five assumptions were not what the RFP and DEI should have been measuring. A Fortune 500 company is interested in Lakefront Airport along with two very qualified bidders and a critical decision must be made regarding the Bastian-Mitchell Hangar.

If the 400,000 new gallons came sooner than proposed by Landmark, the overall balance of total gallons and revenues then becomes 75% for Landmark. This issue is worthy of Board consideration as there are three FBOs on the field and 74% of the revenues would be directed to Landmark. The market should make a determination, but the market is comprised substantially of the underlying leasehold. Hawthorne is presently capacity constrained and would like the opportunity to manage the Bastian-Mitchell facility to attract new business to this airfield and Lakefront Airport. The Bastian-Mitchell Hangar is immediately adjacent to the Hawthorne facility and provides a safe contiguous campus. The analysis prepared by DEI does not exclusively address the RFP criteria and favors hypothetical dollars, not the real dollars part of the bid proposal. Hawthorne would appreciate the opportunity to continue the process and encourage all available business to Lakefront Airport. Hawthorne looks forward to the opportunity to be of service to the Authority and welcomes any questions.

Chairman Scott advised that the decision to use a 26-year lease term was based on the average lease term Hawthorne proposed (50) and Landmark proposed (25). Commissioner Heaton advised that the Airport has been struggling since Katrina and before. I am interested in a long-term commitment, but a fixed number such as 50 years on a lease as it is negotiated should be less because the Authority is leasing at a point at the low end of where the Airport can be. Lakefront Airport has growth and potential that the market would bear later.

### **Chad Farischon - Landmark Aviation**

Mr. Farischon noted that Landmark appreciates the MPV values. As projected on the 26 year lease, the annual CPI over and above the fixed rent and the insurance increases the CPI on the total amount every year. The insurance increases and the CPI increases every year for a total of \$1.1 million outside of MPV in 26 years. It is mathematically proven that Landmark presents the best proposal. Landmark has 53 operations throughout the United States, Canada and Europe and has vast experience operating FBOs, working with airports, partnering with airports and growing airports. Landmark has thousands of loyal tenants all across the country, in Canada and in Europe who enjoy certain synergies. This new tenant is presently a loyal customer of Landmark at other locations and has taken the next step to become a base tenant with Landmark, which all Landmark tenants enjoy throughout the country.

Landmark understands the constraints that governing agencies have with leases and has proposed a 26 year lease that goes through 2039. A hangar cannot operate without an FBO. Landmark would extend the commitment with the FBO lease and

make them co-terminus as both parties have to be in concert to provide a functional operation. Landmark will bring 16 jobs (pilots, flight crew and administrative positions) and the new tenant to the field. Landmark also has existing customers whose fleets grow as the company grows. Landmark is 120% occupied and over capacity.

There was discussion regarding crossing concerns. Landmark has no intention of aircraft being hauled back and forth and has vast experience operating a remote facility at 53 locations with a safety record that speaks for itself. During the Super Bowl Landmark handled 713 aircraft with no incidents attributable to Landmark. Landmark's goal is to bring Lakefront Airport beyond its heyday in terms of volume before the catastrophe known as Katrina. The insurance component is a hard hurdle to cross. The volume brought to Lakefront Airport and the revenue it draws will increase levels of business activity and produce an economic impact to Lakefront Airport and the City of New Orleans. Lakefront Airport will also notice more attention from the FAA dealing with FAA grants. Landmark also has a very active internship program and is a big believer in promoting from within. Landmark currently has two interns in the program who are anxious to obtain a degree and work for Landmark.

Commissioner Wheaton clarified that Landmark would pay the rent increase and the CPI on top of that. Mr. Farischon agreed and stated that Landmark looks at the fixed rent and the insurance as a fixed cost with the annual CPI on top of that. Mr. Baudier noted that what Landmark is currently proposing is more generous than was modeled, which makes the Landmark proposal stronger and should be written into the lease the same way. The DEI analysis uses a .26% value for insurance payments and Landmark is proposing a 2.39% or average CPI increase which results in a larger insurance premium. There would be years where the underwriter would only go up a certain amount, but the CPI would go higher. The insurance would only go up a certain amount, but Landmark is committing to pay the higher rate. Mr. Baudier stated that Landmark is proposing to pay the extra 2.39% or the CPI amount which would increase the value of the insurance payments. I would encourage the Authority to include that in the lease.

Mr. Farischon advised that when the RFP came out, Landmark was unsure who to place in the Hangar. Through Landmark's reach came commitments in which Landmark felt confident in the return in gallons to the Airport. If rent and MPV are reviewed there is a \$16,000 difference in one year.

Mr. Koch noted all parties should complete the analysis started by DEI and evaluate what is reflective of the RFP and other important issues raised by Airport management and the Airport Committee. This is an important long-term decision for the Airport. A decision tonight could allocate 74% of the business to one party. In 15 years of aviation insurance the rates always went higher than the CPI and the same is true for flood insurance in which case the point would be moot. That is the way that DEI looked at it. The Authority is getting a higher offer from the podium and that is not the way an RFP proposal system works.

Mr. Metzger advised that the Authority was not in any litigation with either entity. Several years ago after Hurricane Katrina there was litigation with Jason IV Aviation, the predecessor of Landmark and also with AeroPremier, the predecessor of Hawthorne. Both litigations are settled and there has been no litigation with either entity since they have taken over.

Mr. Farischon advised the Board that the prospective tenant's lease goes month-to-month January 1<sup>st</sup>. The prospective tenant has boiler plate leases in place because they have to relocate. If the prospective tenant does not move with Landmark, they will not be coming to Lakefront Airport. If a vote is not taken, Landmark may lose the prospective tenant.

Commissioner Heaton advised that the Authority has a hangar that is empty and the bills are rolling in which cannot be paid. There is a need to negotiate a very strong lease. Proposals were received on a Friday evening with an Airport Committee meeting on Tuesday morning and it was unfair to expect consultants and staff to prepare an

analysis in that short time period. The proposers arrived at the meeting and were only given the opportunity to introduce themselves due to a lack of quorum. Proposers were advised that staff would prepare a full analysis which would be distributed and brought before the Board. There was a special meeting scheduled which again did not have a quorum in attendance. The proposals were discussed with consultants and staff and a decision was made that a professional analysis was needed in order to get a good tenant in the Hangar that will help grow the Airport.

There was much detail involved in the analysis which was completed this morning. There were no meetings either by phone or in person with either of the parties. Beau Baudier next held a phone interview consisting of an additional 14 questions for both proposers. To be transparent, the Authority could have requested a Letter of Intent only and rented the hangar. The Board is at D-day with making a decision. There are two options that could be recommended tonight: move forward and make a selection between the two entities or commit to a quorum and schedule a meeting within the next few days.

Mr. Capo advised that the cost of the Hangar was approximately \$15,000 per month. Commissioner Hoffman reviewed the categories and stated that base rent and insurance are fairly solid numbers, but there is guess work in flowage fees and parking. Commissioner Heaton advised that flowage fees and parking tie back to performance. If an entity does not meet the performance standards stated in the lease, the lease could be jeopardized. Commissioner Hoffman stated that it would be appropriate to confer with each bidder and negotiate the "best deal" given and bring that to the Board based on those discussions. The Authority will be entering a multi-year lease and it is an uncomfortable feeling having a gun to the head with respect to the tenant going month to month. If that tenant goes to another airport because of 30 days then so be it, but I don't understand that business decision. The Board should sit with both proposers, let the proposers review the analysis and "negotiate" the best proposal with a recommendation to the full Board based on that.

Commissioner DeRouen agreed to schedule another meeting which would give the Board time to read the analysis and contact Mr. Baudier, Mr. Metzger or Mr. Pappalardo with any questions regarding the analysis. There is an urgency to lease the Hangar, but one week will not make a big difference. Chairman Scott advised that it is urgent as the Authority is spending \$15,000 per month for an empty hangar and suggested a special board meeting to resolve the issue. Commissioner Saizan committed to attend a special meeting which would give the opportunity to review the analysis. This type of decision should never have been an Airport Committee decision as every Board member has different opinions regarding this issue. This is the first time that the Board has seen the analysis which contains a great deal of information and many people are uncomfortable making this type of decision tonight. Commissioner Hoffman advised that both bidders put forth a tremendous amount of effort and this Board should give the proposers an opportunity to respond to the financial analysis with their best foot forward and suggested the original Board meeting date of December 19, 2013. Commissioner DeRouen stated that this is a multi-million dollar decision that affects the future of this Board and this neighborhood. One week is not asking too much.

Commissioner Heaton advised that the Board will vote one of the proposers right negotiate a lease. The lease will then come back to the Board for approval. There must be a starting point for negotiations and someone to negotiate with. Chairman Scott added that the Board is requesting that the proposers respond to the analysis presented tonight or comment on the analysis if there is no response. Mr. Koch advised that Hawthorne could respond within one week and either refute and or provide an alternative analysis. Mr. Farischon advised that Landmark could also provide a response to the analysis. Mr. Capo advised that the meeting would be held December 16, 2013 at 5:00 p.m. Commissioner Heaton informed that the meeting was in 10 days and responses are due within seven days. Those responses will be circulated to the Board December 10, 2013. Chairman Scott suggested responses be delivered by December 12, 2013 and be distributed to the Board to read prior to the meeting.

Commissioner Heaton moved to defer the motion to engage in lease negotiations for the Bastian-Mitchell Hangar until the special Board meeting on December 16, 2013, seconded by Commissioner Wheaton. Bidders will receive a hard copy of the financial analysis tonight and an electronic copy will follow in the morning. Bidders must respond by December 12, 2013 and those responses will be distributed to the Board.

Commissioner Hoffman noted that this was a negotiation process and directly the Authority could negotiate with both bidders and make the decision afterward. If an FBO can commit to 300,000 gallons per year or improve the offer, dual negotiations would be the path to take. Mr. Baudier could talk to both bidders and get clarification and include any additional input that he has. Commissioner Heaton noted that in fairness, the Board is giving the bidders the financial analysis and giving them an opportunity to respond back to the Board regarding the analysis. The Authority is not negotiating through the analysis, but giving both proposers the opportunity as a corporate entity to respond back to the financial analysis. The responses will be given to the Board for review to determine who to start negotiations with.

Commissioner Trask suggested authorizing the ability to negotiate with both entities due to time constraints. The two entities could respond to the financial analysis during the dual negotiation process. Commissioner Hoffman stated he agreed to negotiate with both proposers. Commissioner Heaton noted opposition to dual negotiations due to possible fallbacks. Commissioner Hoffman added there were no pitfalls in negotiating with both proposers as there are only two proposers who are very close together. From reviewing the analysis there is a lot of "what ifs" in the calculations. Commissioner Heaton suggested a Negotiating Committee be selected. The Board would normally include Mr. Metzger, Mr. Pappalardo, staff and Mr. Baudier would be present as he prepared the financial analysis.

Mr. Metzger informed the Board that the Authority had parallel negotiations on bigger issues, including the privatization of Lakefront Airport. Commissioner Hoffman noted that this gives the bidders an opportunity to change their bid because the Nominating Committee is going to negotiate with both proposers. The Board is giving both proposers an opportunity to negotiate and the Board can then determine which proposer wants the hangar because they know what the competition is doing. Chairman Scott clarified that the bidders would return on December 16, 2013 for approval to negotiate the lease with whoever is chosen. Mr. Metzger noted that December 16<sup>th</sup> is 11 days away and suggested more time in order to meet with both proposers.

Addie Fanguy, Ladmark Aviation, advised that the RFP that Landmark received from the prospective tenant is not conjecture as far as flowage fees. This RFP has all of their information and shows what fuel was burned last year. I was highly involved in the dual negotiations Mr. Metzger addressed, which was an absolute disaster that lasted five years, stunted the growth of Lakefront Airport significantly and was the final straw with Chevron leaving Lakefront Airport. Flight Departments of large corporations will not base their operation at an unstable airport with no clear path on how to grow or how to get there. There is a serious problem at Lakefront Airport due to the flooding issues. The Bastian-Mitchell Hangar was built with taxpayers' money and is obviously the best hangar at Lakefront Airport and whoever occupies the hangar should bring in new business to this Airport that has been financially strapped for years. Hawthorne has been on the field over three years and pumped 16% of the jet fuel on this Airport last month. Hawthorne has two FBOs and does not have a large network or the experience and caliber of people that Landmark has. Hawthorne's flowage fees fluctuate between teens and mid-twenties for the past three years. Holding FBOs accountable for flowages sold is a killer on a deal for any bidder. If a crisis breaks out in the middle east and gas rises to \$10 per gallon the Airport will go downhill, which was seen in 2008 and after the oil bust in the 1980's. Prior to 1980, Lakefront Airport was one of the top 20 airports in the United States in flowages, but after the oil bust it has never recovered. The Board should understand the significance of flowage fees and customers that Landmark would be bringing in this hangar. During the next 20 years Lakefront Airport

should really start to grow and with the Terminal Building complete we are really going to see that growth.

Commissioner Hoffman stated that the burden is on staff to handle negotiations with both proposers. The time frame can be accomplished. It seems as though the Board is negotiating right now and I would rather not do that. The Board should have the opportunity to discuss the issues and if public comments are necessary afterward that can be done at the appropriate time. Chairman Scott advised that the issue would not be discussed any further. Commissioner Heaton advised the Board that a special meeting would be held after the lease was negotiated. The motion should be amended to add the financial analyst to the negotiation team.

Chairman Scott advised if the Board selected dual negotiations there would be a deadline of completing negotiations by December 12, 2013 so a meeting can be scheduled to confirm who staff has recommended that the Board approve a lease with. I want a commissioner on the Negotiation Team and DEI should be included as well. A recommendation will be due back to this Board by December 12, 2013 and a special meeting will be held on December 16, 2013 to approve and sign the lease. Commissioner Heaton advised that she was willing to assist with negotiations.

Commissioner DeRouen offered to amend the motion to authorize a Negotiating Committee consisting of the Real Estate Consultant, the Board's attorney, the Executive Director, a representative of the Board (Commissioner Heaton) and DEI to enter into dual negotiations with Landmark and Hawthorne. The Negotiating Committee will return to this Board December 12, 2013 at 5:00 p.m. with a recommendation. This process will allow the Board an additional seven days to vet and vote on the issue at the December 16, 2013 special Board meeting, seconded by Commissioner Heaton and unanimously adopted to wit:

**MOTION: 02-120513**  
**RESOLUTION: 02-120513**  
**BY: COMMISSIONER HEATON**  
**SECONDED: COMMISSIONER WHEATON**

**December 5, 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 Bastian- Mitchell Hangar (the "Hangar"), were severely damaged by Hurricane Katrina which struck southeast Louisiana in August of 2005;

**WHEREAS**, the Management Authority rebuilt the Bastian-Mitchell Hangar and the project was finished in the summer of 2013;

**WHEREAS**, the Management Authority at its monthly meeting held on June 13, 2013 adopted a resolution approving a Request for Qualifications and Proposals to lease the Hangar and authorized the Executive Director to issue the Request for Qualifications and Proposals with responses due by November 1, 2013;

**WHEREAS**, responses were received to the Request for Qualifications and Proposals from Encore FBO, LLC d/b/a Landmark Aviation ("Landmark") and Hawthorne New Orleans, LLC ("Hawthorne");

**WHEREAS**, in accordance with the terms and conditions of the Request for Qualifications and Proposals, the responses received were reviewed by the Airport Committee of the Management Authority at meetings held on November 18<sup>th</sup> and December 5<sup>th</sup> 2013; however, there were no quorums present at the meetings and the Committee could not vote on a recommendation for the lease of the Hangar; and,

**WHEREAS**, the Management Authority after considering the responses, and amendment duly made and seconded to this Resolution, resolved that it was in the best interest of the Orleans Levee District and New Orleans Lakefront Airport to authorize the Executive Director, Real Estate Consultant and Legal Counsel of the Management Authority, representatives of Design Engineering, Inc. and Commissioner Wilma Heaton to enter into dual negotiations with Landmark and Hawthorne and provide a recommendation to the members of the Management

Authority on the selection of a lessee and lease for the Hangar by no later than 5:00 p.m. on December 12, 2013.

**THEREFORE, BE IT HEREBY RESOLVED**, that the Management Authority authorizes the Executive Director, Real Estate Consultant, Legal Counsel of the Management Authority, representatives of Design Engineering, Inc. and Commissioner Wilma Heaton to enter into dual negotiations with Landmark and Hawthorne and provide a recommendation to the members of the Management Authority on the selection of a lessee and lease for the Hangar by no later than 5:00 p.m. on December 12, 2013.

**BE IT HEREBY FURTHER RESOLVED**, that the Management Authority Chairman or Executive Director be and is hereby authorized to execute any and all documents necessary to accomplish the foregoing.

**YEAS:** SCOTT, HEATON, TRASK, HOFFMAN DEROUEN, CANTRELLE, STACK, BRIEN, SAIZAN, WHEATON  
**NAYS:** NONE  
**ABSTAIN:** NONE  
**ABSENT:** BAUDY, LUPO, DUFRECHOU, GREEN, ERNST  
**RESOLUTION ADOPTED:** YES

Mr. Baudier noted for the record that new information was provided regarding insurance payments and calculation method regarding those payments. A change will be made to the financial analysis to include this information and the analysis will be circulated to the Board members and both proposers.

**Motion 03-120513 - Approval to extend RCL's contract for the James Wedell Hangar until March 31, 2014 due to construction delays by the contractor GM&R Construction Company, Inc.**

Commissioner Heaton noted that there is no new information regarding this issue, which has been recommended by staff. Alton Davis, RCL, advised that the RCL contract does reference the James Wedell Hangar only, it is the RCL full contract. The Resolution is to extend the RCL contract.

Commissioner Heaton offered a motion to extend RCL's contract for the James Wedell Hangar until March 31, 2014 due to construction delays by the contractor GM&R Construction Company, Inc., seconded by Commissioner Hoffman and unanimously adopted to wit:

**MOTION:** 03-120513  
**RESOLUTION:** 03-120513  
**BY:** COMMISSIONER HEATON  
**SECONDED:** COMMISSIONER HOFFMAN

December 5, 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 Management Authority manages, operates and administers the New Orleans Lakefront Airport, which is a non-flood protection asset owned by the Orleans Levee District, located on the south shore of Lake Pontchartrain in the Parish of Orleans, State of Louisiana, ("Airport");

**WHEREAS**, the Airport was severely damaged by Hurricane Katrina in August of 2005;

**WHEREAS**, the District and Richard C. Lambert Consultants, L.L.C. entered into an Agreement on May 26, 2006 for Architectural Consulting Services of Hurricane Katrina Damage Repairs at the Airport, including repairs to the James Wedell Hangar at the Airport (the "Agreement");

**WHEREAS**, the Agreement, as supplemented, will expire on December 31, 2013;

**WHEREAS**, it is necessary to extend the term of the Agreement until March 31, 2014 because of construction delays by the contractor, GM&R Construction Company, Inc., in completing the repairs to the James Wedell Hangar;

**WHEREAS**, this matter was addressed at the November, 2013 meeting of the Airport Committee and the Committee recommended approval of an extension of the term of the Agreement through March 31, 2014; and,

**WHEREAS**, the Management Authority resolved that it was in the best interest of the District and the Airport to approve the proposed extension of the term of the Agreement through March 31, 2014.

**THEREFORE, BE IT HEREBY RESOLVED**, that the Management Authority approves an extension of the Agreement with Richard C. Lambert Consultants, L.L.C entered into on May 26, 2006 for Architectural Consultant Services for Hurricane Katrina Damage Repairs at the New Orleans Lakefront Airport through March 31, 2014.

**BE IT HEREBY FURTHER RESOLVED**, that the Management Authority Chairman or Executive Director be and is hereby authorized to sign an amendment of the contract dated on May 26, 2006 with Richard C. Lambert Consultants, L.L.C. to extend the term of the contract for professional services through March 31, 2014, with all other terms and conditions to remain the same, and sign any and all other documents to carry out the above.

**YEAS: SCOTT, HEATON, TRASK, HOFFMAN DEROUEN, CANTRELLE, STACK, BRIEN, SAIZAN, WHEATON**

**NAYS: NONE**

**ABSTAIN: NONE**

**ABSENT: BAUDY, LUPO, DUFRECHOU, GREEN, ERNST**

**RESOLUTION ADOPTED: YES**

**Motion 04-120513 - Approval to enter into a lease agreement with Bonomolo Limousines for Office 121-A in the New Orleans Lakefront Airport Terminal**

Commissioner Heaton noted that this motion was recommended at the November Board meeting. It is compatible and in compliance with all of the provisions for leases at the Terminal.

Commissioner Heaton offered a motion to enter into a lease agreement with Bonomolo Limousines for Office 121-A in the New Orleans Lakefront Airport Terminal, seconded by Commissioner Trask and unanimously adopted to wit:

**MOTION: 04-120513**  
**RESOLUTION: 04-120513**  
**BY: COMMISSOINER HEATON**  
**SECONDED: COMMISSIONER TRASK**

December 5, 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 Management Authority manages, operates and administers the New Orleans Lakefront Airport, which is a non-flood protection asset owned by the Orleans Levee District, located on the south shore of Lake Pontchartrain in the Parish of Orleans, State of Louisiana, ("Airport");

**WHEREAS**, the New Orleans Lakefront Airport Terminal was severely damaged by Hurricane Katrina in August of 2005 and the Management Authority recently completed extensive repair and renovations of the Terminal (the "Terminal");

**WHEREAS**, Bonomolo Limousines, Inc. ("Bonomolo") has offered to lease Office 121A, containing 252 square feet in the Terminal, under the terms and conditions set forth below;

**WHEREAS**, under the proposed lease the premises will be used as a dispatch and booking center for potential clients seeking professional transportation services in and around New Orleans and the Gulf Coast; the primary term of the Lease will be two (2) years, with a base annual rental of \$4,642.00, payable in equal monthly installments of \$387.00, with one five (5) year option to renew, subject to a CPI adjustment of the base annual rental rate during the option term; said Lease will also provide that the Lessee will be responsible to pay an additional rent consisting of a pro-rata share of Lessor's insurance premiums, electricity and gas charges at the Terminal, which as of the commencement date of the lease will be \$113.00 per month, resulting in a total monthly rental of \$500.00 during the first year of the Lease, and which additional rental and pro-rata share of said insurance and utility charges will be recalculated each year on the Lease anniversary date;

**WHEREAS**, the proposed Lessee will also build out Office 121A, at Lessee's expense, which build out will consist of, but not be limited to: ceiling panels, HVAC distribution, lighting, floor covering, and a demising wall between offices 121A and 121B, which build out will be subject to the prior approval of the Management Authority; and,

**WHEREAS**, this matter was addressed at the November 5, 2013 meeting of the Airport Committee of the Management Authority and the Committee recommended acceptance of the proposed lease with Bonomolo Limousines, Inc., under the terms and conditions set forth above; and,

**WHEREAS**, the Management Authority resolved that it is in the best interest of the District and the Airport to approve the proposed Lease with Bonomolo Limousines, Inc., under the terms and conditions set forth above.

**THEREFORE, BE IT HEREBY RESOLVED**, that the Management Authority approves a Lease of Office 121A in the Terminal at the New Orleans Lakefront Airport with Bonomolo Limousines, Inc., effective December 1, 2013, under the following terms and conditions: the leased premises shall be used exclusively as a dispatch and

booking center for potential clients seeking professional transportation services in and around New Orleans and the Gulf Coast; the Lease will be for a primary term of two (2) years, with a base annual rental of \$4,642.00, payable in equal monthly installments of \$387.00, with one five (5) year option to renew, subject to a CPI adjustment of the base annual rental rate during the option term; and, the Lease will also provide that the Lessee will be responsible to pay an additional rent consisting of a pro-rata share of Lessor's insurance premiums, electricity and gas charges at the Terminal, which as of the commencement date of the Lease will be \$113.00 per month, resulting in a total monthly rental of \$500.00 during the first year of the Lease, and which additional rental for the pro-rata share of insurance and utility charges will be recalculated each year on the Lease anniversary date; the Lease will also provide that the Lessee will build out Office 121A, at Lessee's expense, which build out will consist of, but not be limited to: ceiling panels, HVAC distribution, lighting, floor covering, and a demising wall between offices 121A and 121B, which build out will be subject to the prior approval of the Management Authority.

**BE IT HEREBY FURTHER RESOLVED**, that the Management Authority Chairman or Executive Director be and is hereby authorized to sign a written lease with Bonomolo Limousines, Inc., which said lease shall include the terms and conditions set forth above, and any other documents necessary to carry out the above.

**YEAS:** SCOTT, HEATON, TRASK, HOFFMAN DEROUEN, CANTRELLE, STACK, BRIEN, SAIZAN, WHEATON  
**NAYS:** NONE  
**ABSTAIN:** NONE  
**ABSENT:** BAUDY, LUPO, DUFRECHOU, GREEN, ERNST  
**RESOLUTION ADOPTED:** YES

### **Motion 05-120513 - Approval to restore the Four Winds Fountain as a working fountain at the New Orleans Lakefront Airport**

Commissioner Heaton suggested the motion be amended to approve to seek funding to restore the Four Winds Fountain. The Authority does not have funding, but a policy decision is needed regarding what will be done with the Fountain. Chairman Scott noted that the Authority would get the money from private resources.

Commissioner Heaton offered a motion to approve Motion 05-120513, as amended, to seek funding to restore the Four Winds Fountain as a working fountain at the New Orleans Lakefront Airport, seconded by Commissioner Trask and unanimously adopted to wit:

**MOTION:** 05-120513  
**RESOLUTION:** 05-120513  
**BY:** COMMISSIONER HEATON  
**SECONDED:** COMMISSIONER TRASK

December 5, 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 Management Authority manages, operates and administers the New Orleans Lakefront Airport, which is a non-flood protection asset owned by the Orleans Levee District, located on the south shore of Lake Pontchartrain in the Parish of Orleans, State of Louisiana, ("Airport");

**WHEREAS**, the Four Winds Fountain at the Airport is an artistic masterpiece sculptured by Xavier Gonzales and was severely damaged by Hurricane Katrina in August of 2005 (the "Fountain");

**WHEREAS**, a Project Worksheet ("PW") has been written by FEMA for public assistance funding for repairing the Four Winds Fountain at the Airport in the amount of some \$58,000.00;

**WHEREAS**, the PW written by FEMA does not provide adequate public assistance funding to restore the Fountain as a working fountain;

**WHEREAS**, the Airport Committee of the Management Authority at its November meeting considered a proposal to change the Four Winds Fountain from an Improved Project to an Alternate Project to allow the Four Winds Fountain to be restored as an art piece instead of a working fountain;

**WHEREAS**, after considering this proposal, the Airport Committee voted to recommend that the Management Authority move forward with restoring the Fountain as a working fountain at its present location at the Airport with the public assistance funding by FEMA for this Project and other funding to be identified by the Management Authority;

**WHEREAS**, on motion duly made and seconded, the Resolution was amended to clarify that the Management Authority intends to seek funding for the restoration of the Fountain as a working Fountain; and,

**WHEREAS**, the Management Authority considers it to be in the best interest of the Airport and the Orleans Levee District to move forward with restoring the Fountain as a working fountain at its present location at the Airport with public assistance funding by FEMA and other funding to be identified by the Management Authority.

**THEREFORE, BE IT HEREBY RESOLVED**, that the Management Authority shall move forward with restoring the Four Winds Fountain as a working fountain at its present location at the New Orleans Lakefront Airport with public assistance funding made available by FEMA and other funding to be identified by the Management Authority.

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

**YEAS:** SCOTT, HEATON, TRASK, HOFFMAN DEROUEN, CANTRELLE, STACK, BRIEN, SAIZAN, WHEATON  
**NAYS:** NONE  
**ABSTAIN:** NONE  
**ABSENT:** BAUDY, LUPO, DUFRECHOU, GREEN, ERNST  
**RESOLUTION ADOPTED:** YES

**Motion 06-120513 – Approve settlement with Lakeview Landings, L.L.C. for expenses incurred for the removal and relocation of utility lines located on its leased premises conditioned upon proof of payment of expenses and a sworn Affidavit regarding the expenses by one of its principals and for an extension of the lease completion date for the construction of the ship or day store and fuel dock through May 31, 2014**

Commissioner Heaton advised that staff recommended this issue. Commissioner DeRouen noted that the issue was vetted at the Legal Committee meeting. The Affidavit verifies expenses and the rent waiver were actually incurred and actually existed as opposed to part of the initial project. Mr. Metzger advised that the Affidavit has been received along with all expense checks and backup documents.

Commissioner DeRouen offered a motion to approve settlement with Lakeview Landings, L.L.C. for expenses incurred for the removal and relocation of utility lines located on its leased premises conditioned upon proof of payment of expenses and a sworn Affidavit regarding the expenses by one of its principals and for an extension of the lease completion date for the construction of the ship or day store and fuel dock through May 31, 2014, seconded by Commissioner Hoffman and unanimously adopted to wit:

**MOTION:** 06-120513  
**RESOLUTION:** 06-120513  
**BY:** COMMISSIONER DeROUEN  
**SECONDED BY:** COMMISSIONER HOFFMAN

December 5, 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**, Lot 2E situated in the City of New Orleans located on the east side of the New Basin Canal is one of the non-flood assets of the Orleans Levee District managed and controlled by the Management Authority;

**WHEREAS**, Lakeview Landings, L.L.C. entered into a Lease Agreement with the Management Authority dated on September 30, 2011 for development of a fuel dock, ship’s store and restaurant under the terms and conditions set forth in said Lease;

**WHEREAS**, during the construction of the restaurant on the leased premises, Lessee encountered underground gas, water and sewer lines that were not shown on any drawings or surveys of the leased premises;

**WHEREAS**, these underground gas, water and sewer lines created a number of design issues and additional costs for their removal and reinstallation;

**WHEREAS**, the construction of the restaurant was delayed during the removal and reinstallation of the gas, water and sewer line on the leased premises;

**WHEREAS**, in January of 2013 Lessee made formal written demand for reimbursement for all expenses paid by Lessee in relocating the gas, water and sewer pipes; for the rent and interest paid for the period of time

representing the delay in construction because of these impediments located on the leased premises; and, also for additional costs to clear the water front of the leased premises for construction of a bulkhead;

**WHEREAS**, the Legal Committee of the Management Authority in executive session at its meeting held in March of this year reviewed the written demand made by Lessee and instructed staff and the Management Authority's Real Estate Consultant and Legal Counsel to enter into negotiations with the Lessee to resolve these claims;

**WHEREAS**, the Legal Committee at its meeting held on November 7, 2013 considered a proposed settlement offer for reimbursement of the following expenses paid by Lessee: \$2,650.00 for site excavation to search for gas, water and sewer lines located under the leased premises paid by Lessee to Bayou Demolition; \$2,232.41 to re-design plans and drawings to reposition the restaurant building paid by Lessee to David Glasgow, Architect; \$46,600.00 for removal and relocation of sewer lines located under the leased premises paid by Lessee to Boh Brothers; \$5,950.00 for excavation to search for underground fuel tanks located under the leased premises paid by Lessee to Bayou Demolition; \$15,045.00, representing one quarterly rental payment under the Lease, for loss of use and delays in construction of the improvements on the leased premises, paid by Lessee to the Management Authority; and, \$18,034.56 for loan interest paid during the period of loss of use by Lessee to First NBC Bank;

**WHEREAS**, the total amount for these expenses is \$90,511.97 and the Lessee has agreed to accept a rent credit for these expenses to be applied over seven quarters commencing with the first quarter of 2014, as follows: The rent credit during the first six quarters will be \$14,145.21 and the rent payable per quarter will be \$15,068.43, and a rent credit of \$5,640.71 in the seventh quarter and the rent payable will be \$23,572.93, for a total rent credit of \$90,511.97 (the "settlement");

**WHEREAS**, the Legal Committee of the Management Authority approve a motion to recommend approval of the settlement with Lakeview Landings conditioned upon proof of payment of the expenses set forth above and execution of a sworn affidavit by one of its members affirming that these expenses were incurred solely in connection with the underground impediments encountered on the leased premises during the construction of the improvements;

**WHEREAS**, the delays caused by the discovery of the underground utilities on the leased premises also delayed Lessee's construction of the ship or day's store and fuel dock with land and water side fueling capabilities which was required to be completed under the Lease on or before September 1, 2012;

**WHEREAS**, Lessee has requested an extension of the date for completion of the ship or day's store and fuel dock through May 31, 2014;

**WHEREAS**, the Legal Committee of the Management Authority also approved a motion to recommend approval of an extension of the date for completion of the ship or day's store and fuel dock through May 31, 2014; and,

**WHEREAS**, the Management Authority resolved that it is in the best interest of the Orleans Levee District to approve the settlement with Lakeview Landings and to also approve the extension of the completion date under the Lease for the construction of the ship or day's store and fuel dock through May 31, 2014.

**THEREFORE BE IT HEREBY RESOLVED**, that the Management Authority approves the settlement with Lakeview Landings, L.L.C. conditioned upon proof of payment of the expenses set forth above and execution of a sworn affidavit by one of its principals affirming that these expenses were incurred solely in connection with the underground impediments encountered on the leased premises during the construction of the improvements;

**BE IT FURTHER HEREBY RESOLVED**, that the Management Authority approves an extension of the completion date under the Lease for the construction of the ship or day's store and fuel dock through May 31, 2014.

**BE IT FURTHER HEREBY RESOLVED**, that the Management Authority Chairman or Executive Director be and is hereby authorized to sign a settlement agreement under the terms and conditions set forth above with Lakeview Landings, L.L.C., an amendment to the lease with Lakeview Landings, L.L.C., extending the completion date for the construction of the ship or day's store and fuel dock through May 31, 2014, and any other documents necessary to carry out the foregoing.

**YEAS:** SCOTT, HEATON, TRASK, HOFFMAN DEROUEN, CANTRELLE, STACK, BRIEN, SAIZAN, WHEATON  
**NAYS:** NONE  
**ABSTAIN:** NONE  
**ABSENT:** BAUDY, LUPO, DUFRECHOU, GREEN, ERNST  
**RESOLUTION ADOPTED: YES**

**Motion 07-120513 - Approve to amend the lease with Flightline Ground, Inc. to allow Flightline to acquire property, flood and general liability insurance policies**

Bonny Schumacker, Flightline First, requested the Authority consider reassigning Flightline to obtain insurance for fire, extended coverage and flood. The current deductible for fire and extended coverage (wind, storm, hail and flood) is the greater of \$250,000 or 5% of the damaged building's value. The appraisal value of the Williams Hangar has tripled and the current deductible is \$500,000. Flightline tried to obtain excess insurance to reduce risk, but is unable to obtain excess insurance because Flightline is not the owner of the policy.

Furthermore, Flightline's lease is governed by grant assurances. One of the grant assurances is economic non-discrimination. Flightline recently learned that Landmark obtains its own fire, extended coverage and flood insurance. Flightline requests that the Board vote on this issue to authorize Flightline to obtain excess insurance immediately, which will reduce risk as Flightline's deductible will be covered and repairs will be made.

Chairman Scott noted that there may be FEMA issues regarding this matter. Mr. Capo advised that FEMA's concern, which only concerns flood, is the amount, which is the full replacement cost value of the building, which is the exact wording in the lease. FEMA would still have the same amount of insurance and this would be in FEMA'S advantage as the \$500,000 deductible would be covered. The risk that the building is not repaired is reduced enormously because the Authority is financially unable to obtain excess insurance to cover that deductible. This is a win/win situation for FEMA, the Airport and Flightline.

Chairman Scott clarified that under the current lease Flightline is allowed to obtain all insurance coverages except for flood. Mr. Metzger advised that automobile and liability insurance is always the lessee's responsibility. There was a policy change at the time Flightline's lease was entered into. It was the Division of Administration policy in 2007 that the lessor procures property and flood insurance and fire insurance was maintained by the lessor with the lessee reimbursing that amount. There are FEMA issues involved which are being addressed with the assistance of Steve Nelson of Stuart Consulting.

Commissioner Wheaton added that the insurance issue must be properly vetted. This is not an excess policy; it is a primary policy and Flightline is trying to insure the deductible. Without a staff recommendation there is some concern as FEMA may require to be named in the policy. Commissioner Heaton stated that the parties could be put together a quorum could be arranged so the Airport Committee could make a full recommendation to the Board. If there is a policy that has to be tweaked, the policy should be tweaked for everybody and Flightline should not be singled out. The Board's job is to assist them in being successful and protect the Authority. A follow-up meeting will be scheduled and a full recommendation will be presented at the next Board meeting. Chairman Scott clarified that this issue was being deferred.

Commissioner Heaton offered a motion to defer amending the lease with Flightline Ground, Inc. to allow Flightline to acquire property, flood and general liability insurance policies, seconded by Commissioner Wheaton and unanimously adopted.

**Motion 08-120513 – Motion to approve the transfer of the management and control of the former Orleans Levee District Police Department's Headquarters property on Elysian Fields from the Non-Flood Protection Asset Management Authority to the Southeast Louisiana Flood Protection Authority - East**

Chairman Scott noted that this matter was vetted and there are conditions imposed on the transferring of the property. Mr. Metzger advised that the two conditions are that the transfer be subject to conditions such as the property will continue to be used as a police station and that SLFPA-E do the demolition and build the new facility within three years. If those conditions are not met, the management and control would revert back to the Management Authority. The ownership is in the District and it stays in the District.

Commissioner Heaton clarified that passing of the Resolution does not guarantee the Flood Authority will get the Police Station. The Resolution is so a representative of SLFPA-E can deliver the Resolution and SLFPA-E can decide whether to expend

money for this project. Those discussions cannot proceed until this Resolution is passed.

Commissioner Hoffman moved to approve the transfer of the management and control of the former Orleans Levee District Police Department's Headquarters property on Elysian Fields from the Non-Flood Protection Asset Management Authority to the Southeast Louisiana Flood Protection Authority – East, seconded by Commissioner DeRouen and unanimously adopted to wit:

**MOTION:** 08-120514  
**RESOLUTION:** 08-120514  
**BY:** COMMISSIONER TRASK  
**SECONDED:** COMMISSIONER HOFFMAN

December 5, 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 Management Authority is the successor of the Division of Administration, State of Louisiana and former Board of Commissioners of the Orleans Levee District;

**WHEREAS**, the Management Authority manages, operates and administers the former Orleans Levee District Police Department's Headquarters located at Municipal Address 6799 Elysian Fields Avenue in the City of New Orleans, which is one of the non-flood protection assets owned by the Orleans Levee District ("OLDPD Headquarters" or "property");

**WHEREAS**, the OLDPD Headquarters was designated as a non-flood protection asset pursuant to the Memorandum of Understanding Regarding Non-Flood Assets of the Orleans Levee District, effective May 17, 2007, by and between the Board of Commissioners of the Southeast Louisiana Flood Protection Authority East and the Board of Commissioners of the Southeast Louisiana Flood Protection Authority West, on behalf of the Orleans Levee District, and the Division of Administration of the State of Louisiana, which at the time was the governing authority of the non-flood protection assets of the Orleans Levee District;

**WHEREAS**, the management of the Orleans Levee District Police Department was transferred from the Management Authority to the Southeast Louisiana Flood Protection Authority East and Southeast Louisiana Protection Authority West in 2011;

**WHEREAS**, the property where the former OLDPD Headquarters is located in zoned residential and the neighborhood association has opposed all recommendations that the property be rezoned for commercial purposes;

**WHEREAS**, the property is still suitable for use as the Orleans Levee District Police Department Headquarters;

**WHEREAS**, the Commercial Real Estate Committee considered the proposed transfer of the management and control of the former Orleans Levee District Police Department's Headquarters at its meeting held on December 5, 2013 and the Committee voted that it had no objection to the transfer if the transfer was made subject to the following resolutive conditions: that the property be used only as a station for the Orleans Levee District Police Department and that the current improvements be demolished and new improvements for the police station be constructed within three years of the approval of the transfer and control of the property by the Management Authority; and,

**WHEREAS**, the Management Authority considers it to be in the best interest of the Orleans Levee District to transfer the management and control of the former Orleans Levee District Police Department Headquarters property on Elysian Fields Avenue to the Southeast Louisiana Flood Protection Authority East, subject to the resolutive conditions recommended by the Commercial Real Estate Committee.

**THEREFORE, BE IT HEREBY RESOLVED**, that the Management Authority hereby authorizes transfer of the management and control of the former Orleans Levee District Police Department Headquarters located at Municipal Address 6799 Elysian Fields Avenue in the City of New Orleans to the Southeast Louisiana Flood Protection Authority East, subject to the following resolutive conditions: that the property be used only as a station for the Orleans Levee District Police Department and that the current improvements be demolished and new improvements for the police station be constructed within three years of the date of this Resolution.

**BE IT HEREBY 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:** SCOTT, HEATON, TRASK, HOFFMAN DEROUEN, CANTRELLE, STACK, BRIEN, SAIZAN, WHEATON

**NAYS: NONE**  
**ABSTAIN: NONE**  
**ABSENT: BAUDY, LUPO, DUFRECHOU, GREEN, ERNST**  
**RESOLUTION ADOPTED: YES**

**Motion 09-120513 – Motion for approval of the renewal of employee health insurance with Office of Group Benefits in the amount of \$295,282.44**

Commissioner Hoffman advised that this matter was vetted in the Finance Committee meeting and the plan has stayed the same. The premium increased slightly over 2% and the Finance Committee recommended to move ahead and renew the policy.

Commissioner Hoffman moved to approve the renewal of employee health insurance with Office of Group Benefits in the amount of \$295,282.44, seconded by Commissioner Trask and unanimously adopted to wit:

**MOTION: 09-120513**  
**RESOLUTION: 09-120513**  
**BY: COMMISSIONER HOFFMAN**  
**SECONDED: COMMISSIONER TRASK**

**December 5, 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**, starting January 1<sup>st</sup> 2013 the Management Authority procured active employees and retirees health insurance through the Louisiana Office of Group Benefits (OGB);

**WHEREAS**, on or about October 2<sup>nd</sup>, 2013, Management Authority staff requested a renewal quote from OGB and on November 26, 2013 received the renewal quote from OGB;

**WHEREAS**, after reviewing cost and coverage from OGB, it is the Staff’s recommendation to renew active employees and retirees health insurance coverage through the Office of Group Benefits for the period January 1, 2014 through December 31, 2014;

**WHEREAS**, the Finance Committee of the management Authority considered the recommendation of the staff and voted to recommend that the Management Authority procure employee and retiree health care coverage through the Office of Group Benefits for a premium in the amount of \$295,288.44; and,

**WHEREAS**, the Management Authority resolved that it was in the best interest of the Management Authority and Orleans Levee District to authorize the procurement of employee and retiree health care coverage through the Office of Group Benefits in the amount of \$295,288.44.

**THEREFORE, BE IT HEREBY RESOLVED**, that the Non-Flood Protection Asset Management Authority authorizes the procurement of employee and retiree health care coverage through the Office of Group Benefits for a premium in the amount of \$295,288.44 for a period of one year commencing on January 1, 2014 and ending on December 31, 2014.

**BE IT FURTHER HEREBY 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: SCOTT, HEATON, TRASK, HOFFMAN DEROUEN, CANTRELLE, STACK, BRIEN, SAIZAN, WHEATON**  
**NAYS: NONE**  
**ABSTAIN: NONE**  
**ABSENT: BAUDY, LUPO, DUFRECHOU, GREEN, ERNST**  
**RESOLUTION ADOPTED: YES**

**Motion 10-120513 – Motion for approval of the employee dental insurance with Crescent Dental in the amount of \$14,443.68**

Commissioner Hoffman noted that this was vetted at the Finance Committee meeting. Since that time, subsequent information was received. This motion should be amended to go with Assurant and the premium is \$10,820.28.

Commissioner Hoffman offered a motion to approve employee dental insurance with Assurant in the amount of \$10, 820.28, as amended, seconded by Commissioner DeRouen and unanimously adopted to wit:

**MOTION:** 10-120513  
**RESOLUTION:** 10-120513  
**BY:** COMMISSIONER HOFFMAN  
**SECONDED:** COMMISSIONER DEROUEN

December 5, 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 Management Authority’s Dental Coverage is due to expire December 31<sup>st</sup>, 2013 and A. J. Gallagher solicited quotes on renewal of the dental coverage;

**WHEREAS**, the renewal quote from the current provider, Crescent Dental, for coverage of twenty-two current Non-Flood Management employees would be an annual cost of \$11,753.52, and three additional quotes were received from:

- 1) Assurant Insurance, in the amount of \$10,820.28,
- 2) Guardian Insurance, in the amount of \$11,295.60,
- 3) Met Life Insurance, in the amount of \$11,348.76,

**WHEREAS**, after consideration of this coverage, staff recommends the following for a one year term commencing on January 1, 2014 and ending on December 31, 2014: and,

Assurant Insurance Dental Care Plan offered at an estimated annual premium of \$10,820.28 for active employees.

**WHEREAS**, the Finance Committee of the Management Authority considered the recommendation of the staff and voted to recommend that the Management Authority procure dental insurance from Assurant Insurance for a premium in the amount of \$10,820.28.

**THEREFORE, BE IT HEREBY RESOLVED**, that the Non-Flood Protection Asset Management Authority authorizes the procurement of employee dental care coverage through Assurant Insurance for a premium in the amount of \$10,820.28 for a period of one year commencing on January 1, 2014 and ending on December 31, 2014.

**BE IT FURTHER HEREBY 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:** SCOTT, HEATON, TRASK, HOFFMAN DEROUEN, CANTRELLE, STACK, BRIEN, SAIZAN, WHEATON  
**NAYS:** NONE  
**ABSTAIN:** NONE  
**ABSENT:** BAUDY, LUPO, DUFRECHOU, GREEN, ERNST  
**RESOLUTION ADOPTED:** YES

**NEXT BOARD MEETING**

The next full Board meeting of the Non-Flood Protection Asset Management Authority is scheduled for Thursday, January 23, 2014 at 5:30 p.m.

**ADJOURNMENT**

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

The meeting adjourned at 7:32 p.m.