

**THE NON-FLOOD PROTECTION ASSET MANAGEMENT AUTHORITY  
MINUTES OF THE SPECIAL BOARD MEETING  
THURSDAY MAY 6, 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 Monday, May 6, 2013 at 6:30 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 6:36 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 Stanley Brien  
Commissioner Carlton Dufrechou  
Commissioner John Trask  
Commissioner Darrel Saizan  
Commissioner Pearl Cantrelle  
Commissioner Patrick DeRouen  
Commissioner Nyka Scott

**ABSENT:**

Commissioner Romona Baudy

**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  
Chris Fenner – Stuart Consulting  
Alton Davis – Richard C. Lambert Consulting

**ADOPT AGENDA**

Commissioner Cantrelle requested Motion No. 08-050613 be heard first as this was the reason for the special session and any items not time sensitive be placed on the May 16, 2013 Board Agenda. Items added due to lack of quorum at the April 18, 2013 Board meeting should remain on the Agenda. Commissioner Cantrelle offered a motion to amend the Agenda, seconded by Commissioner Dufrechou and unanimously adopted.

**OPENING COMMENTS**

Chairman Lupo thanked the Commissioners for responding to the request for this emergency meeting regarding a proposed Resolution in opposition to House Bill No. 173 by Senator Morrell which references separating the Airport operation from the Non-Flood Authority. It is important to discuss House Bill No. 173 with the full Board and bring the community into the discussions as well.

**NEW BUSINESS**

**Motion No. 06-050613 - Oppose Adoption of Senate Bill 173**

Commissioner Hassinger informed that Senate Bill No. 173 is pending in the House. The Bill was to be filed as a placeholder, but the Bill moved through the Senate. This Board has not discussed the Bill and nor been advised of any reason why the Bill should become law. The matter was discussed and it was unanimously recommended

by the Legal Committee that the Bill be opposed. The Bill was filed by Senator Morrell whose goal of long-term management of the assets for the good of the metropolitan New Orleans area is the same as this Board's. The Board did not discuss the matter before the Bill was assigned to a House Committee. That is a big decision and each Board member is entitled to give input.

Chairman Lupo stated that the opinions of the Legal Committee were relayed to Senator Morrell who advised via text to consider the Bill ceased. There has been no procedure taken to remove the Bill from the legislative agenda, so a vote will be taken to determine the position of the Board. There are concerns regarding gaps in the financial aspect of the bill as it is written and the \$12 million that the Authority loaned to Lakefront Airport. Commissioner DeRouen advised of other issues in the budget that affect the Authority's cash flow and noted the future financial interest of the Authority should not exclusively relate to the Airport, but where the Authority is financially and what makes sense in the future. If the analysis projects a financial burden, discussions should be open regarding ways to make it less burdensome for the Airport as well as all other non-flood assets.

Commissioner Heaton advised that Senator Morrell is the author of the Bill and will not request support to move the Bill to the House and will park the issue of creating a new Authority. Senator Morrell conveyed the following message to the Full Board:

Senator Morrell is very supportive of the work of this Board which is why he has always worked so hard with this Authority. If this Board does not want the Bill, it is dead for the session. Senator Morrell thought all members of the Board were in agreement and had been briefed on the Bill and in no way intended to force the Bill on the Board or this Authority. Senator Morrell requested feedback as to whether the Board wanted to park the Bill or move the Bill forward.

Commissioner Saizan agreed that the Bill be parked as there is too much invested personally, financially and as a Board in this issue which has been a collective effort by everyone.

Chairman Lupo advised that the concept of the Bill was to prevent something from happening to the Airport that the Authority is not in control of. The Bill moved causing the Legal Committee to call a Special Board meeting so Board members could be briefed. Senator Morrell's concern was that the Board stay in control of all Non-Flood assets. The Bill was a way to ensure that the Airport would not be summarily taken from the Authority under the guise of providing a better governing source.

Commissioner Hassinger offered a motion to oppose the Senate Bill No. 173, seconded by Commissioner Hoffman and unanimously adopted to wit:

**MOTION: 08-050613**  
**RESOLUTION: 06-050613**  
**BY: COMMISSIONER HASSINGER**  
**SECONDED: COMMISSIONER HOFFMAN**

**MAY 6, 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 City of New Orleans, State of Louisiana, ("Airport");

**WHEREAS**, the Management Authority and the Orleans Levee District are the Public Sponsors of the Airport for Louisiana Department of Transportation and Development, Aviation Division (LADOTD) and U.S. Department of Transportation, Federal Aviation Administration (FAA) grant funding;

**WHEREAS**, Senate Bill No. 173 was passed by the Senate of the State of Louisiana during the Regular Legislative Session of 2013 and establishes the New Orleans Lakefront Airport Authority (“Airport Authority”) and provides for the transfer of the management, control and maintenance of the New Orleans Lakefront Airport from the Management Authority to the Airport Authority; provides for the powers, duties and functions of the Airport Authority to be exercised through a board of commissioners; provides for the membership of the board of commissioners; authorizes the board of commissioners to conduct a national search for a management firm to manage the operations of the Airport; and, provides for related matters.

**WHEREAS**, the Legal Committee of the Management Authority reviewed and discussed this legislation at its regularly scheduled monthly meeting held on May 2, 2013;

**WHEREAS**, the Legal Committee after considering this legislation unanimously approved a motion recommending that the Management Authority adopt a resolution opposing passage of this Bill by the Louisiana Legislature for the following non-exclusive reasons;

**WHEREAS**, the Legal Committee resolved that the transfer of the management and control of the Airport will adversely impact the successful long-term management of the non-flood protection assets of the District; that to efficiently manage the non-flood protection assets of the District it is critically important that the Airport and the other non-flood protection assets of the District be managed by one governing authority; that the Management Authority and the Airport Committee of the Management Authority have since 2010 effectively managed the Airport and the recovery of the Airport from the devastating impact of Hurricane Katrina, including the renovation of the Airport Terminal Building and construction of a number of hangars that were destroyed by Hurricane Katrina; that the Management Authority through the efforts of its Chairman and the Chairman of the Airport Committee has developed a close working relationship with the Federal Aviation Administration, which has increased opportunities for FAA Grant Funding for Airport projects; that the momentum created to stimulate business at the Airport through the successful management of the Airport by the Management Authority will be disrupted by the proposed transfer of the management of the Airport to a new governing authority; that the Management Authority and the previous governing authorities of the Orleans Levee District have loaned and invested over \$11,000,000.00 in District and FEMA funding for the recovery of the Airport and the transfer of the management of the Airport to a new governing authority could seriously jeopardize the repayment of these funds by the Airport to the District, which funds are and will be needed for the management and maintenance of the other non-flood protection assets of the District; and, that the Management Authority’s members over the past three years have acquired the necessary experience and institutional knowledge to successfully conclude the recovery of the New Orleans Lakefront Airport; and,

**WHEREAS**, after discussion and debate of this important issue, the Management Authority resolved that it would not be in the best interest of the Orleans Levee District and the Airport at this time if the management of the Airport would be transferred from the Management Authority to a new governing authority;

**THEREFORE, BE IT RESOLVED**, that the Management Authority for the foregoing reasons hereby respectfully opposes the passage of Senate Bill No. 173 by the Louisiana Legislature or any other legislation that would transfer at this time the management, control and maintenance of the New Orleans Lakefront Airport from the Non-Flood Protection Asset Management authority to a new governing authority.

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

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

**Motion No. 01-050613 - Approve a contract with Pro-Signs & Graphics in the amount of \$63,736.00 for signs at Lakefront Airport and Lakeshore Drive**

Commissioner DeRouen requested when this issue came before the Airport Committee that there be continuity between the signage of Lakeshore Drive, the Marinas and the Airport so the properties are identifiable with this Authority.

Commissioner Saizan offered a motion to approve a contract with Pro-Signs and Graphics, seconded by Commissioner Heaton and unanimously adopted to wit:

**MOTION: 01-050613**  
**RESOLUTION: 01-050613**  
**BY: COMMISSIONER HOFFMAN**  
**SECONDED: COMMISSIONER SAIZAN**

May 6, 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 non-flood assets managed and controlled by the Management Authority include New Orleans Lakefront Airport and Lakeshore Drive;

**WHEREAS**, quotes for construction and installation of signs for the New Orleans Lakefront Airport and Lakeshore Drive were solicited by the District;

**WHEREAS**, Pro Signs and Graphics, L.L.C. submitted a quote, totaling \$63,736.00, for the construction and installation of signs for the New Orleans Lakefront Airport and Lakeshore Drive;

**WHEREAS**, the quote submitted by Pro Signs and Graphics, L.L.C. was the lowest responsive quote for this work;

**WHEREAS**, this matter was addressed at the April 4, 2013 meeting of the Finance Committee, and the Committee recommended acceptance of the quote by Pro Signs and Graphics, L.L.C. for this work at the price set forth above; and,

**WHEREAS**, the Management Authority resolved that it is in the best interest of the Orleans Levee District and New Orleans Lakefront Airport to accept the quote and authorizes a contract with Pro Signs and Graphics, L.L.C. for the work and at the price set forth above.

**THEREFORE, BE IT HEREBY RESOLVED**, that the Management Authority accepts the quote and authorizes a contract with Pro Signs and Graphics, L.L.C. for the construction and installation of the signs for the New Orleans Lakefront Airport and Lakeshore Drive for total price of \$63,736.00.

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

**YEAS: LUPO, HASSINGER, ERNST, HOFFMAN, HEATON, STACK, BRIEN, DUFRECHOU, TRASK, SAIZAN, CANTRELLE, DEROUEN, SCOTT**

**NAYS:**

**ABSTAIN:**

**ABSENT: BAUDY**

**RESOLUTION ADOPTED: YES**

**Motion No. 02-050613 - Approve contract with Crescent City Marine Group, Inc. d/b/a Schubert’s Marine (\$45,095.00) for painting interior/exterior Promenade restrooms, guard rail extending the entire bulkhead and six pier entrances and gates in Orleans Marina**

Commissioner Brien informed that Mr. Dixon went out to bid twice and the cost is within the major maintenance allocation in the Orleans Marina lease as part of capital improvements at Orleans Marina.

Commissioner Brien offered a motion to approve a contract with Crescent City Marine Group, Inc. d/b/a Schubert's Marine for painting at Orleans Marina, seconded by Commissioner Hassinger and unanimously adopted to wit:

**MOTION: 02-050613**  
**RESOLUTION: 02-050613**  
**BY: COMMISSIONER BRIEN**  
**SECONDED: COMMISSIONER HASSINGER**

**May 6, 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 non-flood assets managed and controlled by the Management Authority include the Orleans Marina ("Marina");

**WHEREAS**, the promenade restrooms, guardrail and pier entrances and gates in the Marina are in need of painting;

**WHEREAS**, quotes for the painting of the promenade restroom, guardrail and pier entrances and gates in the Marina were solicited by the District;

**WHEREAS**, Crescent City Marine Group, Inc. d/b/a Schubert's Marine ("Schubert's") submitted a quote, totaling \$45,095.00, for painting of the promenade restroom, guardrail and pier entrances and gates in the Marina;

**WHEREAS**, the quote submitted by Schubert's to paint the promenade restroom, guardrail and pier entrances and gates did not include the price of the paint and primer which will be supplied by the District;

**WHEREAS**, the quote submitted by Schubert's was the lowest responsive quote for this work;

**WHEREAS**, this project will be funded by the surcharge placed on all Orleans Marina slip leases by the District which is dedicated to capital improvements;

**WHEREAS**, this matter was addressed at the April 2, 2013 meeting of the Marina Committee of the Management Authority and the Committee recommended acceptance of the quote by Schubert's for this work at the price set forth above; and,

**WHEREAS**, the Management Authority resolved that it is in the best interest of the Orleans Levee District and Orleans Marina to accept the quote and authorizes a contract with Schubert's for the work and at the price set forth above.

**THEREFORE, BE IT HEREBY RESOLVED**, that the Management Authority accepts the quote and authorizes a contract with Schubert's for the painting of the Orleans Marina promenade restrooms, guardrail and pier entrances and gates for the total price of \$45,095.00.

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

**YEAS: LUPO, HASSINGER, ERNST, HOFFMAN, HEATON, STACK, BRIEN, DUFRECHOU, TRASK, SAIZAN, CANTRELLE, DEROUEN, SCOTT**

**NAYS: NONE**

**ABSTAIN: NONE**

**ABSENT: BAUDY**

**RESOLUTION ADOPTED: YES**

**Motion No. 03-050613 - Approve GM&R Change Order for \$56,132.00 for construction of the James Wedell Hangar and electrical equipment rack modifications**

Mr. Capo advised that Motion No. 03-050613 will be tabled indefinitely so it is necessary to take a roll call vote.

Commissioner Saizan offered a motion to table Motion No. 03-050613 indefinitely, seconded by Commissioner Hoffman and unanimously tabled by a roll call vote.

**Motion No. 04-050613 – Ratify Presentment of Claim filed January 8, 2013, pursuant to the Oil Pollution Act of 1990 and approve Engagement Agreement with Gerard G. Metzger (APLC) to represent the Authority and Orleans Levee District**

This motion ratifies the Presentment of Claim filed on January 8, 2013, pursuant to the Oil Pollution Act of 1990, 33 U.S.C. §2713(a), by the Southeast Louisiana Flood Protection Authority - East on behalf of the Orleans Levee District, for damages sustained as the result of the Deepwater Horizon Oil Spill. Mr. Metzger will provide legal services and in the event of any recovery, Mr. Metzger will be paid 25% of any recovery or for hours spent prosecuting the District's claim, whichever is less. Counsel will pay related expenses subject to reimbursement by the Authority from any recovery. Expert witness fees will be paid by the Management Authority.

Commissioner Hoffman offered a motion to ratify the Presentment of Claim filed on January 8, 2013, seconded by Commissioner Ernst and abstained by Commissioner Hassinger to wit:

**MOTION: 04-050613**  
**RESOLUTION: 03-050613**  
**BY: COMMISSIONER HOFFMAN**  
**SECONDED: COMMISSIONER ERNST**

**May 6, 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 District owns and operates revenue producing property, including but not limited to the Orleans Marina, South Shore Harbor Marina and New Orleans Lakefront Airport, which are non-flood protection assets of the District under the management and control of the Management Authority (the "revenue producing property");

**WHEREAS**, on April 20, 2010 the DEEPWATER HORIZON Offshore Drilling Rig, operated by Transocean, Ltd. on behalf of British Petroleum Exploration and Production, Inc. and/or BP Corporation North America, Inc. (collectively "BP" and/or "British Petroleum"), exploded in the Gulf of Mexico (the "BP Oil Spill"), causing the largest accidental marine oil spill in United States history and catastrophic damages to the environment, business and industry on the southeast Louisiana Gulf Coast;

**WHEREAS**, as a direct result of the BP Oil Spill, the District suffered damages, including economic losses caused by a decrease and reduction of revenue produced by the District's revenue producing property;

**WHEREAS**, on January 8, 2013, the District along with other Levee Districts, by and through the Southeast Louisiana Flood Protection Authority-East, submitted a Presentment of Claim to the BP OPA Claims Program and the Government Claims & Funding Requests Office, which have been designated to receive and coordinate all claims for damages sustained as the result of the BP Oil Spill filed by governmental entities against BP arising out of the oil spill, pursuant to the Oil Pollution Act of 1990, 33 U.S.C. Section 2702, which Presentment of Claim included the claims for economic losses suffered by the District caused by a decrease and reduction of revenue produced by the District's revenue producing property (the "Presentment of Claim");

**WHEREAS**, the presentment of a claim is an administrative requirement and condition for a party to file a civil action for damages under the Oil Pollution Act;

**WHEREAS**, counsel representing the Southeast Louisiana Flood Protection Authority – East and counsel for the Management Authority have recommended that the Management Authority approve and ratify the Presentment of Claim filed on behalf of the District on January 8, 2013;

**WHEREAS**, the Finance Committee at its April meeting unanimously voted to recommend to the Management Authority approval and ratification of the Presentment of Claim;

**WHEREAS**, the Management Authority requires competent and experienced counsel to file and represent its interests and to assert on its behalf and/or on behalf of the Orleans Levee District all claims or causes of action that may lie against BP and/or other parties related to the BP Oil Spill;

**WHEREAS**, Gerard G. Metzger of the law firm Gerard G. Metzger (APLC) has represented the Management Authority since August of 2010 and previously represented the Orleans Levee District Non-Flood Asset Division and former Board of Commissioners of the Orleans Levee District;

**WHEREAS**, the Management Authority and District continue to operate under tight fiscal constraints and do not have adequate financial resources to pay the hourly fees necessary to pursue effectively these claims against BP;

**WHEREAS**, Gerard G. Metzger (APLC) is willing to represent the Management Authority on a contingency fee basis for the lesser of (1) twenty-five (25%) percent of the total amount of any eventual recovery, or (2) an amount equal to the total hours expended on legal services to prosecute the District's claims at the rate of \$175.00 per hour, payable only out of any eventual recovery, and is willing to pay all expenses related to these claims, subject to reimbursement by the Management Authority only out of any eventual recovery, except for expert witness fees which will be payable by the Management Authority;

**WHEREAS**, the Management Authority believes Gerard G. Metzger (APLC) has the requisite experience, expertise, and availability to effectively represent the Management Authority and District in connection with the BP Oil Spill claims; and,

**NOW, THEREFORE, BE IT HEREBY RESOLVED**, that the Management Authority approves and ratifies the Presentment of Claim filed on behalf of the District.

**BE IT HEREBY FURTHER RESOLVED** that the Management Authority does hereby employ Gerard G. Metzger (APLC) to assert on its behalf and/or on behalf of the Orleans Levee District any and all claims or causes of action relating to the District's non-flood protection assets and revenue producing property that may lie against British Petroleum and/or other parties responsible for the BP Oil Spill.

**BE IT HEREBY FURTHER RESOLVED** that Gerard G. Metzger (APLC) shall be paid on a contingency basis, and in the event of any recovery relating to the District's non-flood protection assets and revenue producing property shall be paid the lesser of (1) twenty-five (25%) percent of the total amount of any eventual recovery, or (2) an amount equal to the total hours expended on legal services to prosecute the District's claims at the rate of \$175.00 per hour, payable only out of any eventual recovery, and counsel shall pay all expenses related to these claims, subject to reimbursement by the Management Authority only out of any eventual recovery, except for expert witness fees which will be payable by the Management Authority.

**BE IT HEREBY FURTHER RESOLVED** that the Chairman or Executive Director for the Management Authority be and is hereby authorized to do such other and further acts and to execute such further instruments as may be necessary and appropriate to accomplish the engagement of Gerard G. Metzger (APLC), and in connection therewith to submit a copy of this resolution and the legal services contract to the Attorney General for the State of Louisiana for approval.

**YEAS:** LUPO, ERNST, HOFFMAN, HEATON, STACK, BRIEN, DUFRECHOU, TRASK,  
SAIZAN, CANTRELLE, DEROUEN, SCOTT  
**ABSTAIN:** HASSINGER  
**ABSENT:** BAUDY  
**RESOLUTION ADOPTED:** YES

**Motion No. 05-050613 - Approve authorization to apply for the Boating Infrastructure Grant (BIG grant)**

Mr. Dixon is reapplying for the boating Infrastructure Grant with a request to expand the transient base at South Shore Harbor. The max the State is allowing with this Grant is \$100,000 with a 75/25 split.

Commissioner Brien offered a motion to approve authorization to apply for the Boating Infrastructure Grant (BIG Grant), seconded by Commissioner Hassinger.

Mr. Metzger noted that this Resolution was drafted in-house and the first paragraph is incorrect. Commissioner Heaton offered a motion to amend the Resolution by correcting the first paragraph, seconded by Commissioner Stack and unanimously adopted to wit:

**MOTION: 05-050613**  
**RESOLUTION: 04-050613**  
**BY: COMMISSIONER BRIEN**  
**SECONDED BY: COMMISSIONER HASSINGER**

May 6, 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”);

**HEREAS**, the OLD has owned and operated South Shore Harbor Marina since 1987, and has continually attempted to enhance the operation of the Marina in terms of profitability, tenant amenities, environmental compliance, capital improvements and other enhancements;

**WHEREAS**, since February 8, 2011, the marina staff has worked diligently with the Louisiana Department of Wildlife and Fisheries (“LDWF”) towards building a fully functional marina for the use of transient boaters;

**WHEREAS**, the Industrial Canal is periodically closed at the Seabrook Bridge, thereby preventing the boating public from accessing transient facilities located on Lake Pontchartrain;

**WHEREAS**, the only other accessible transient dock on the South Shore of Lake Pontchartrain at the present time is located at Orleans Marina;

**WHEREAS**, the planned dock facility is to be located in South Shore Harbor North of the Marina Terminal Building, and built and maintained to the strictest standards;

**WHEREAS**, the Counselors of Real Estate (CRE) strategic plan of action states that if South Shore Harbor Marina is to be a full service marina, it must have accessible transient slips;

**WHEREAS**, in a cooperative agreement effort with the LDWF, in accordance with the boating Infrastructure Grant, LDWF will provide grant sponsor funding of \$100,000.00 toward lighting and rub rails estimated to cost no more than,\$150,000.00, of which LDWF will be responsible for \$100,000.00 and the Management Authority will be responsible for the balance of approximately \$50,000.00 and,

**WHEREAS**, LDWF has requested a Resolution authorizing the Management Authority to apply for the grant, and

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

**YEAS: LUPO, HASSINGER, ERNST, HOFFMAN, HEATON, STACK, BRIEN, DUFRECHOU, TRASK, SAIZAN, CANTRELLE, DEROUEN, SCOTT**

**NAYS:**

**ABSTAIN:**

**ABSENT: BAUDY**

**RESOLUTION ADOPTED: YES**

**Motion No. 06-050613 - Renew Property and Flood Insurance for the Fuel Farm**

The Property Insurance premium for the Fuel Farm through Morrison Insurance is \$69,679.05, including terrorism, from May 30, 2013 through June 30, 2014. The 13 month policy is to align all policies to the fiscal year. The rate is slightly higher than last year, but terrorism insurance is included in the policy. There are two components to the policy. Base flood insurance with NFIP is \$11,568 for \$500,000 worth of coverage and a \$5,000 deductible. The Morrison Insurance excess policy picks up after \$500,000 and costs \$11,500. The policy does not require base flood and will not pay until the Authority expends \$500,000. The trigger is the \$5,000 deductible on the flood policy up to \$500,000 and then this policy will kick in. This insurance is for an event in excess of \$500,000 and the cost is \$69,679.05. To purchase this policy, the Authority must have the underlying federal flood policy up to \$500,000.

Commissioner Saizan offered a motion to approve renewal of the Property and Flood Insurance Coverage for the Fuel Farm, seconded by Commissioner Hoffman and unanimously adopted to wit:

**MOTION: 06-050613**  
**RESOLUTION: 05-050613**  
**BY: COMMISSIONER SAIZAN**  
**SECONDED BY: COMMISSIONER HOFFMAN**

May 6, 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 Property and Flood Insurance coverages for the New Orleans Lakefront Airport’s Fuel Farm will expire on May 30, 2013;

**WHEREAS**, Morrison Insurance Agency, through its President, Randy Maddox, shopped the market for said coverages, and obtained a quote of \$2,445,000 of Real Property/Fuel Tanks and \$385,000 in Business Interruption Coverage on the loss of fuel farm sales from Lloyds/QBE Specialty Ins. Co. for a premium of \$69,679.05 including Terrorism coverage;

**WHEREAS**, the premium quote was received on May 6, 2013 which was after the Airport Committee meeting that was held on April 30, 2013, and the next Airport Committee is not scheduled until June 6, 2013; and, due to expiration of the policy on May 30, 2013, it is in the best interest of the Management Authority and the Orleans Levee District to approve the renewal of the property and flood insurance policies with Lloyds/QBE Specialty Ins., Co.

**WHEREAS**, the policy period will be a thirteen month policy starting May 30, 2013 and ending June 30, 2014; and

**BE IT RESOLVED**, that the Non-Flood Protection Asset Management Authority authorizes the procurement of the property insurance for the New Orleans Lakefront Airport Fuel Farm, through Morrison Insurance Agency, Inc., with Lloyds/QBE Specialty Ins. Co., at an estimated annual premium of \$69,679.05, including terrorism coverage, for the period May 30, 2013 and expiring June 30, 2014; and,

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

**YEAS: LUPO, HASSINGER, ERNST, HOFFMAN, HEATON, STACK, BRIEN, DUFRECHOU, TRASK, SAIZAN, CANTRELLE, DEROUEN, SCOTT**

**NAYS:**

**ABSTAIN:**

**ABSENT: BAUDY**

**RESOLUTION ADOPTED: YES**

**Motion No. 07-050613 - Authorize Executive Director, Real Estate Consultant and Legal Counsel to Negotiate Restaurant and Special Event Catering Lease at New Orleans Lakefront Airport**

Mr. Capo informed that the only respondent to the RFP/Q is a joint venture with Crescent City Consulting, New Orleans Convention Company, Inc. and Outstanding Catering Group. The lease agreement is subject to the approval of the Management Authority. This RFP is not a public bidding process under Title 38 and is not governed by the public bid law. This Resolution is not necessary as the Board is only authorizing negotiations to determine if a deal can be made and brought back to the full Board.

Commissioner Cantrelle noted that only one bid was received and the respondent did not bid on the kitchen equipment. If the Authority negotiates with this sole respondent and the respondent does not want to put the kitchen in the RFP should be re-issued. There may be people that did not bid because kitchen equipment was required. Commissioner Hoffman agreed that the kitchen is a material part of the proposal. If the respondent refuses to supply the kitchen, the Authority is in a position to throw out the bid. The respondent did not say they would not supply the kitchen, the respondent wanted to negotiate the kitchen. Mr. Pappalardo advised the RFP stated the kitchen equipment was not going to be furnished by the Authority. The respondent did not wish to own or furnish the kitchen equipment. The respondent proposed a percentage rent however, a percentage rent is not in the Authority's best interest.

Mr. Metzger advised that there were holes in the responses, but the response was responsive to what the Authority asked in the RFP. It was not stated in the RFP that the lessor had to supply the kitchen equipment; it was recommended that lessor supply the kitchen equipment. Respondent did not indicate the term or length of the lease nor was the amount of the rent given.

Commissioner Heaton advised the two issues may be legal issues and should be discussed with legal counsel. This is a matter of good faith. A representative informed some bidders that the proposer was expected to make the capital investment and several people did not bid because a large capital investment was required and the endeavor is a major risk. This could make the Authority look like it is in bad faith. Commissioner Hoffman clarified that the RFP did not dictate the equipment or that the proposer must invest capital in kitchen equipment. Mr. Pappalardo advised that what was represented was that the Authority was not installing any kitchen equipment other than what was in the building.

Commissioner Cantrelle advised if the respondent did not want to pay for kitchen equipment the bid should be thrown out and the RFQ/P be re-issued because other people may not have bid on the restaurant for that reason. The kitchen was in the bid package and people chose not to bid. The Authority cannot pay for the kitchen equipment unless the RFQ/P is re-issued.

Commissioner DeRouen advised the issue is whether the submission was responsive to the RFQ/P. Kitchen or no kitchen is not a big deal. The legal question is whether the submission was responsive because that is where the Authority faces future exposure. This Board has to justify whether what was submitted was actually responsive to the RFQ/P. Commissioner Scott added if candidates were informed by a representative that the kitchen was a requirement it puts the Authority out for liability.

Chairman Lupo suggested the Board postpone the issue until the May 16, 2013 Board meeting. Commissioner Saizan offered to table the motion to authorize the Management Authority's Executive Director, Real Estate Consultant, Legal Counsel and other Consultants to Negotiate a Lease for the Restaurant and Special Event Catering at the New Orleans Lakefront Airport, seconded by Commissioner Hoffman and unanimously adopted.

**NEXT BOARD MEETING**

The next full Board meeting of the Non-Flood Protection Asset Management Authority is scheduled for Thursday, May 16, 2013 at 5:30 p.m.

**ADJOURNMENT**

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

The meeting adjourned at 8:33 p.m.