

THE NON-FLOOD PROTECTION ASSET MANAGEMENT AUTHORITY
MINUTES OF THE FULL BOARD MEETING
THURSDAY JANUARY 23, 2014 – 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 January 23, 2014 at 5:30 p.m., in the Lake Vista Community Center, 2nd Floor, 6500 Spanish Fort Blvd., New Orleans, Louisiana after due legal notice of the meeting was sent to each Board member, the news media, and a copy of the call was posted.

Chairman Scott called the meeting to order at 5:44 p.m. and led in the Pledge of Allegiance. The roll was called which constituted a quorum.

PRESENT:

Chairman Nyka Scott
Vice Chairman Ernst
Secretary Romona Baudy
Commissioner Robert E. Smith Lupo
Commissioner Wilma Heaton
Commissioner Carlton Dufrechou
Commissioner William Hoffman
Commissioner Patrick DeRouen
Commissioner Pearl Cantrelle
Commissioner Michael Stack
Commissioner Stan Brien
Commissioner Darrel Saizan
Commissioner Rodger Wheaton

ABSENT:

Commissioner John Trask
Commissioner Eugene Green

STAFF:

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

ALSO PRESENT:

Al Pappalardo - Real Estate Consultant
Gerard Metzger - Legal Counsel
Alton Davis – Richard C. Lambert Consulting
Steve Nelson – Stuart Consulting Group
John Holtgreve – Design Engineering, Inc.
Van Robichaux – Robichaux Law Firm
Brayton Matthews – Flightline First
Bonny Schumaker – Flightline First
Richard Passler – Flightline First
Jonathan Buff – Hawthorne Aviation
Brent Russell – Hawthorne Aviation
Patches Rhode – GOHSEP
Ben Morris - GOHSEP
Bill Blank – PCCP Constructors
Tyler Buford – PCCP Constructors
Sarah McLaughlin – USACE
Tim Connell - USACE
Tom Long – Resident
Dawn Hebert – Resident
Michael McCrosson - Resident

ADOPT AGENDA

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

APPROVE MINUTES

Commissioner DeRouen offered a motion to approve the minutes of the November 21, 2013 and December 5, 2013 Board meetings, seconded by Commissioner Dufrechou and unanimously adopted.

REPORT BY EXECUTIVE DIRECTOR

Mr. Capo announced that the Budget Committee meeting scheduled for January 30, 2014 has been cancelled. Other issues will be discussed under the Agenda item pertaining to the updates.

COMMITTEE REPORTS

Airport Committee – Commissioner Heaton advised that Airport Committee items are on the Agenda and will be discussed as they are addressed.

Marina Committee – Commissioner Dufrechou advised that new dock boxes have been installed at South Shore Harbor Marina to replace dock boxes damaged from the storm, pedestrian gates are operational and electrical inspections are underway. The food truck at South Shore Harbor was very successful.

Commercial Real Estate Committee – The Commercial Real Estate Committee meeting was cancelled.

Recreation/Subdivision Committee meeting – Mr. Capo reported that the Recreation/Subdivision Committee meeting items are on the Agenda and will be discussed as those items are addressed.

Legal Committee – The Legal Committee meeting was cancelled.

Finance Committee – Commissioner Hoffman noted that the Finance Committee will schedule a meeting to discuss the 2014-2015 budget.

NEW BUSINESS

Motion 01-012314 - Motion to authorize PCCP Constructors, A Joint Venture (PCCP), to make a curb cut on Lakeshore Drive for access to the Permanent Canal Closure and Pump Station Project site on the east side of the London Avenue Canal to modify the haul route subject to the following conditions: the curb on Lakeshore Drive be replaced by PCCP when the project is completed, flag men stationed at the Orleans Avenue Canal and London Avenue Canal until the project is completed and presentment of an engineering/traffic study on the modified haul route by PCCP to the Non-Flood Protection Asset Management Authority

Mr. Capo informed that PCCP Constructors (PCCP) is requesting to cut the median on Lakeshore Drive. The cut will permit trucks on Lakeshore Drive to make a left-hand turn into the construction site on London Avenue Canal. Authorization for the median cut is subject to the following conditions: PCCP station flagmen on Lakeshore Drive at Orleans and London Avenues until project completion; reconstruction of the median by PCCP after project completion; all median cut and median reconstruction costs be paid by PCCP and presentment of an Engineering and Traffic Study by PCCP to the Management Authority.

Commissioner Lupo noted that PCCP has an issue with larger trucks arriving from the east on Lakeshore Drive and turning into the London Avenue site. PCCP is requesting a median cut to keep trucks out of the Lake Terrace Subdivision and allow the trucks to turn directly from the north to south lane into the construction site. There are traffic concerns with UNO and heavy traffic along Lakeshore Drive. The Orleans Levee District (OLD) Police Chief and the Captain prepared a survey and observations of the operation and DEI determined what would be involved to allow the trucks make that turn. Design Engineering, Inc. designed the roadway construction and is familiar with the project.

As a result of those reports, Commissioner Lupo offered an amendment to the Resolution, which was read into the record as follows:

Therefore be it resolved that the Management Authority does approve the requested change in the haul route by PCCP Constructors to cut the median on Lakeshore Drive to permit trucks approaching from the east on Lakeshore Drive to make a left-hand turn into the construction site adjacent to the east side of the London Avenue Canal subject to the following conditions:

In view of 24-hour truck access to the construction site for the project, PCCP Constructors shall station police vehicles to regulate traffic on Lakeshore Drive at London Avenue Canal until completion of the project. The median cut and reconstruction of the median after completion of the project by PCCP Constructors will be in accordance with plans developed by Design Engineering, Inc. All expenses related to the median cut and reconstruction of the median are to be paid by PCCP Constructors and PCCP Constructors shall also reimburse the Management Authority for all charges by Design Engineering, Inc. for design of the plans for the median cut and reconstruction of the median. Until these plans are developed by Design Engineering for the median cut and reconstruction, PCCP Constructors shall only be allowed to use the approved traffic plan and haul route as it exists.

Chairman Scott questioned how long it would take to get the plans developed by DEI. John Holtgreve, DEI, gave a timeline of approximately two weeks to prepare and finalize the design and determine what type of vehicles will be brought into the site. Chairman Lupo noted that the amendments were confected prior to this meeting and have not been discussed with PCCP. Representatives of PCCP and the Corps are in attendance.

Commissioner Lupo offered an amendment to Motion 02-012314 and Commissioner DeRouen seconded the motion to discuss the proposed amendment.

Tyler Buford, PCCP Project Director, addressed the Amendment, modification to the median cut and the design work by DEI. Mr. Buford objected to design work by DEI and advised that PCCP had an independent designer licensed in the State of Louisiana to perform a traffic control report and independent design review. PCCP disagrees with the stipulation of providing police presence on Lakeshore Drive as the Right of Entry was granted through the Corps. That direction was taken from the client, who is the Corps of Engineers and Tim Connell will speak for the Corps.

Commissioner Lupo noted that the client is the taxpayers of the United States of America and Orleans Parish. The owner of the project design is PCCP and the Corps. As the median cut is a safety issue, the OLD Police were consulted and recommended the amendment. PCCP is requesting permission for a median cut on a roadway controlled by the OLD Police Department. Mr. Buford advised that PCCP contractually reports to the Corps through a Partnering Agreement and the Corps' Right of Entry (ROE) and deferred to the ROE created between the Corps and OLD.

Commissioner Lupo stated that PCCP's design firm represents PCCP and may adhere to PCCP's concerns, but not the Authority's. PCCP has not provided any plans or designs to the Authority. Commissioner Heaton added that the Authority has a duty to assure the public and neighborhoods that the design will address their needs and has been prepared by a firm that has much experience on Lakeshore Drive. Mr. Buford advised that current plans were submitted through the Corps to the Department of Public Works, DOTD and OLD. Commissioner Stack clarified that PCCP did not have an approval from DOTD.

Tim Connell, Corps of Engineers, advised that the design was prepared by PCCP's traffic engineering firm and the Corps welcomes a proposal from DEI for review of the design. The ultimate product is a design and scope that satisfies all parties. If one group designs the plans and another group does the review, the product should be acceptable to all parties.

Mr. Connell advised that the proposal has one intersection where trucks will interact with traffic; the existing route has three. The site distances are fine and there does not appear to be any hazards. Commissioner Stack advised that the road is double striped for safety purposes and advised that the Right of Entry stated all local laws must be followed.

Commissioner Stack addressed the 15 mph speed limit on non truck-route streets and noted that the trucks were not abiding by the posted speed limit. There are questions about site distance out of the site going west towards the bridge. The median is part of the bridge from a previous design and the site line is obstructed by the guardrail and rise on the bridge. There are too many questions regarding all of the site lines so I cannot support the motion. In the event of an accident or fatality, this Board would be liable. This Authority did not give approval for PCCP to use Lakeshore Drive and PCCP is not abiding by Mark Jernigan from Public Works who gave approval for the haul route. The City Department of Public Works has no authority on Lakeshore Drive. Sarah McLaughlin of the Corps stated that the Corps is following the Right of Entry granted by the Coastal Protection and Restoration Authority (CPRA). Commissioner Lupo advised that the Corps has never presented the Right of Entry to this Authority. Commissioner Stack has 36 years of DOTD experience and is asking reasonable questions and the Corps is advising that they do not have to live by those rules. This Authority should contact the City of New Orleans and CPRA and question if they are aware of the carte blanche authority that has been given to the Corps regarding the Right of Entry. Commissioner Heaton clarified that the CPRA Representative for this area is Joe Hassinger who was the Commissioner on this Board that begged for a traffic plan.

Chairman Scott questioned if it was appropriate to withdraw the motion. Commissioner Hoffman advised if the Board does not pass a motion tonight, PCCP will continue to travel through the neighborhoods because there is no alternative. Commissioner Stack advised that there should be an independent review to determine if what is proposed is safe. A left-hand turn crossing two lanes of traffic with a limited site distance in the opposite direction is a safety issue. There is also the potential for rear-end accidents with trucks sitting in the left lane. Further, Lakeshore Drive was not designed to handle large trucks and will fall apart quickly. Commissioner Lupo noted that the Corps has advised the Authority in multiple public meetings that the Corps is not responsible for normal wear and tear to the road as a result of this project as long as the trucks are within the prescribed legal weight limit. Chairman Scott suggested withdrawing the motion and requested a copy of the original Right of Entry that was granted to determine what the Corps and PCCP are entitled to.

Commissioner Wheaton stated that getting the traffic off of Marconi and Paris is a good thing. There will be some damage to Lakeshore Drive, but there is concern that this Board will be throwing the issue back into chaos. If the Corps is turned loose, this Authority may be in a much worse situation down the line. The Corps' attendance tonight and their stonewalling of reasonable requests places this Authority in a bad position. One option is to close Lakeshore Drive to non-construction traffic and advise that it is a construction site for the duration of the project. Lakeshore Drive has been closed in the past due to major projects and three pumping stations is major construction, which is something that people consider.

Mr. Connell advised that the Corps' Contracting Officer makes final decisions regarding the issues being discussed. The Corps is not stonewalling and has offered to provide a design for DEI to review. It is better to have two separate engineering firms to design and review the plans and come to the consensus that the proposal is safe. Mr. Buford stated that the design of the roadway and geometry of the median cut is fully designed, but the actual design of the roadway (asphalt or concrete) once the median is cut has not been designed. PCCP would like a reasonable proposal from DEI for a peer review of the design. PCCP would then progress with the designer currently under contract.

Commissioner Lupo noted that this Authority's expert regarding Lakeshore Drive has advised that crossing double stripped roadways is a dangerous situation. This is a \$700 million project that requires a police presence. Mr. Buford advised that PCCP would use flagmen when bringing oversized loads to the site, when there is backup traffic and during instances of low visibility or fog which decrease site distances. PCCP does not believe a police presence is needed 24 hours a day for the duration of the project.

Commissioner Stack advised that during a November 7, 2013 Recreation/Subdivision Committee, PCCP informed the Committee that approval was given for use of the truck routes and the minutes from that meeting reflect that statement. Mr. Capo noted that haul routes have changed over time with added roadways included in each new haul route. Commissioner DeRouen advised if the Authority granted permission and someone got hurt or rear-ended an argument could be made that this Authority granted access to Lakeshore Drive. This Authority would then have legal exposure for the accident and/or damages. It is unknown if indemnification is appropriate, if the Authority could seek indemnification or if Corps and/or contractor can grant indemnification.

Commissioner Lupo addressed comments from Commissioner Stack of La. DOTD and this Authority's legal counsel and noted that PCCP advised they would not adhere to the proposed Amendment to the Resolution. The Amendment requires that DEI, the contractor that represents this Authority and has much knowledge and experience with Lakeshore Drive, but PCCP is not willing to pay the engineering costs. PCCP also advised that a police presence will not be used at certain areas along Lakeshore Drive so the Amendment to the Resolution will be withdrawn. There is opposition to the original motion as it lacks the appropriate caveats

Commissioner DeRouen offered a motion to table Motion 01-012314, seconded by Commissioner Saizan and unanimously agreed upon. Commissioner Lupo offered a motion to table the Amendment to Motion 01-012314, seconded by Commissioner Saizan and unanimously agreed upon.

Motion 02-012314 – Motion to approve the opening of the westbound lanes of traffic on Lakeshore Drive from Orleans Avenue to West End Boulevard on weekends for the duration of the Permanent Canal Closure and Pump Project conditioned on the approval of the Orleans Levee District Police Department

Commissioner Lupo advised that this motion also addresses issues on Lakeshore Drive in the areas where the Orleans and London Avenue Pump Stations are being constructed. The Board was not aware of the approval issued by Public Works dated November 7, 2013 until 4:00 this afternoon. This is also a most unprofessional document. The OLD Police and Capt. Boudreaux recommended traffic changes on the western parts of Lakeshore Drive between Marconi and West End. That recommendation states, "Based on the facts of the research the OLD Police oppose converting Lakeshore Drive to two way traffic on weekends" and the reasons are stated in that recommendation. There was discussion regarding the contractor building a haul road on the green space east of the Orleans Avenue Canal between Lakeshore Drive and Marconi, but the document obtained from the City of New Orleans gives approval to use Marconi. As Marconi is a City of New Orleans street it is no known what standing this Authority has.

Commissioner Wheaton added that there were several residents from Lake Vista who strongly urged this Board to do everything possible to eliminate traffic on Marconi. One option is to enter Lakeshore both ways to keep trucks out of Lake Terrace and Lake Vista and to protect Marconi and the neighborhoods should be accommodated along that line. Commissioner Lupo noted that this is a safety issue because for the past 30 years the public's understanding is that on weekends Lakeshore Drive is one way with the two north lanes used for pedestrians, bikers and joggers. A solution would be to approach City Park and request permission for a haul route to be built on the green space to eliminate truck traffic on Marconi, which is not a truck route.

Mr. Buford advised that the request to build a haul route on the green space can be reviewed. From an aesthetic standpoint there would be sacrifices made with several very mature oak trees in the area. Measurements and distances can be taken and PCCP can then give a recommendation.

Chairman Scott requested an Amendment to Resolution 02-012314 be passed which will require PCCP to do what was necessary to build a haul route on the green space to eliminate truck traffic on Marconi. Commissioner Lupo offered the amendment, seconded by Commissioner Saizan and unanimously agreed upon.

Commissioner Lupo offered the following amendment to Motion 02-012314:

Therefore be it resolved that in view of the safety concerns and opposition of the Orleans Levee District Police Department to opening the westbound lanes of traffic on Lakeshore Drive, the concerns of the neighborhood and because Marconi Drive is not a truck route, the Management Authority recommends that PCCP Constructors seek the approval of City Park to construct a haul route on the green space adjacent to the east side of the Orleans Avenue Canal with ingress near Swan Street and egress on the south side of Marconi Drive near Robert E. Lee Boulevard.

The Amendment was seconded by Commissioner Heaton and unanimously agreed upon.

Mr. Connell informed that the Corps would research and determine if this request would be under the compliance of the Environmental Permit. Commissioner Lupo noted that building a haul route so close to the toe of the levee may not fly with the Corps, but this Authority is trying to find a solution to large trucks traveling along Marconi. Commissioner Stack agreed that traffic would be better on Lakeshore Drive than in the neighborhoods. With some accommodations, the Board may be able to work this out. The Authority has to give something to the public besides tearing up Lakeshore Drive after two years of construction. This Authority does not have the funding to repair Lakeshore Drive and should not be responsible for those repairs. If Lakeshore Drive is closed bikers and skaters will not be allowed to use Lakeshore Drive. Several items require further discussion as this Authority had not given approval for any of this.

Commissioner Cantrelle addressed the approval given by Public Works and noted that she has never seen a document like this in her experience with City government. When these approvals are given the police department is involved for safety reasons along with City Council and the Law Department. There is always a cover sheet that is signed off by all appropriate authorities required to respond to the request and the Law Department is the last to give approval. Commissioner Stack advised that in the 36 years he has worked with the Corps, the Corps has never accepted a document like this.

Chairman Scott noted that there was an amendment to the Resolution. Commissioner Lupo agreed with Commissioner DeRouen to take the issue before the Legal Committee to determine how to handle the issue and requested to postpone Motion 02-012314.

PUBLIC COMMENT

Mr. Tom Long – Resident

Mr. Long advised the Board that this is an important issue to residents of Lake Vista. This is an issue of safety and there is a simple solution. As to the haul route that was approved by Public Works, the map came from much research into the approval. PCCP advised permission was given by the City to use Marconi as a secondary haul route, but did not have the map or written approval. I contacted the Mr. Ural, head of the Department of Streets, and he advised that the signature is his, but he could not locate the document on his computer. He advised that it was the colored map from August, but that colored map does not show Marconi as an authorized haul route. The map from August shows exactly the opposite. Mr. Ural advised of another black and white map which he authorized on November 7, 2013 upon the request of PCCP Constructors. The map came from the City Department of Streets and this approval is what PCCP is relying on to use Marconi as a haul route on weekends. The Board should consider the simple solution of opening up westbound Lakeshore Drive on weekends for the duration of this construction. Lakeshore Drive poses a safety issue, but Marconi is a far worse safety issue with large haul trucks traveling right in front of homes on a two lane road which was just repaired after Katrina. The potential for property damage and harm to people and pets is far greater on Marconi than Lakeshore Drive. Lakeshore Drive can be closed and police or flagmen could keep pedestrian and bicycle traffic off of Lakeshore Drive. There are just as many people using Marconi on the weekends for walking, biking and roller skating as Lakeshore Drive. The stretch of Lakeshore Drive from Orleans Canal west should be opened to allow trucks an entrance and exit without going through the neighborhood. In the event of property damage or an injury or death on Marconi lawsuits will be filed against the contractor, the City of New

Orleans and the NFPMA based on the fact that the Authority was complicit by allowing access to Marconi and the refusal to open Lakeshore Drive to construction traffic only. This document is PCCP's authority to use Marconi and to the best of my knowledge PCCP did not make this request to any council member, the law department or the police department. The City should have requested input from the affected residents and the affiliated departments within the City.

Mike McCrossen – Resident

Mr. McCrossen advised that trucks go down Marconi, but not at 15 mph. There is a "No Truck Route" sign at the entrance of Marconi from Robert E. Lee. My attorney has advised that the approval obtained by PCCP from Public Works is not worth the paper it is written on. It is this Authority's responsibility to get a definite answer because NFPAMA is in charge of these neighborhoods. Mr. McCrossen clarified that he is referring to the surrounding neighborhoods and noted that residents' homes are being destroyed. Contractors have filmed homes on the inside and outside because the contractors know there will be damage. The neighbors also have their own film. There is no doubt those trucks will ruin Marconi and every house within a 2½ block radius. This is a \$700 million construction project that will damage millions of dollars worth of homes. Lakeshore Drive being closed will inconvenience a biker for two years and that is a hard decision to make, but the hardest decision is usually the right one. There is no question that closing Lakeshore Drive or opening it only to trucks is the hardest thing to do without question. That is why it is the right thing to do.

William Settoon – Resident

Mr. Settoon stated that the Corps of Engineers will prevail, but there may be ways to mitigate and control the project. A billion dollar project will not be shut down over community squabbles. My home is on Stilt Street two doors off of Marconi Drive. In 1999 the home was demolished and drove pilings to rebuild a new home. Due to concerns from our neighbors regarding pile driving, a seismologist was hired and set up on each side of the neighbors' homes. The recording strip shows the piles driving and every 45 minutes there is a blip five times higher than any piles. The seismologist advised that the blip was the City bus passing on Marconi. That was a City bus; and, the 80,000 pound trucks will begin to come in spades and do some serious damage. This project favors the entire City and metro area. People who enjoy Lakeshore Drive can pay a price and allow Lakeshore Drive to be closed for the duration of this project. That is the only logical way to solve this issue.

Commissioner Heaton suggested an emergency Legal Committee meeting be scheduled for further negotiation and discussion. All parties would be requested to attend the meeting and determine a solution to solve this issue. Commissioner DeRouen requested that representatives from the Corps and PCCP attend the meeting to assist with possible solutions. Chairman Scott clarified that the representative attending the meeting should be the person to make those decisions.

Mr. Connell advised that the Corps' contracting officer is Tim Black. Tyler Buford runs the project for PCCP at the site and is very knowledgeable about the project. No quick judgments can be made as PCCP is bound by a multi-million dollar contract that involves a lot of legal jargon and stipulations which require thought. The Corps and PCCP are willing to participate in a meeting to resolve the issues. This is a very large project in the middle of a residential area and there will be inconveniences. Commissioner DeRouen stated that the decisions made to solve these problems may not be decisions everyone agrees upon, but accept this Authority's gesture that is being offered. The Authority will attend in the spirit of cooperation in an attempt to solve these issues. The residents have a stake in the improved flood protection and want the stations built, but do not want houses destroyed or people getting hurt.

Chairman Scott requested Mr. Black and Mr. Buford attend the meeting. Commissioner DeRouen added that this Authority will find a way to resolve these issues. If this cannot be done by the Legal Committee, an Ad Hoc Committee can be appointed.

Commissioner Stack stated that he realizes the importance of this project. Some answers that were given are insulting to my experience as I know how these projects work. The Corps cannot rely on the Right of Entry from CPRA; that is not how it works. The issues are a plan to keep trucks off of Marconi Drive and who will be responsible to

repair Lakeshore Drive after project completion. Lakeshore Drive is not a state highway and there are no state laws to rely on. If those two issues are addressed an argument could be made with the Board regarding the motions.

Chairman Scott appointed a Special Ad Hoc Committee for the Outfall Canal Construction Project consisting of Commissioners Lupo, Hoffman, Ernst, Stack, DeRouen and Wheaton to meet with the Corps and PCCP.

Commissioner Hoffman moved to postpone the motion, seconded by Commissioner Dufrechou and unanimously adopted.

Motion 03-012314 - Motion for approval of a contract with BLD Services for the base bid amount of \$32,700 for the Lakefront Airport Drain Line Repair Project

Mr. Capo informed that the contract for BLD Services in the amount of \$32,700 is for drain line repairs at New Orleans Lakefront Airport.

Commissioner Heaton noted that this issue was vetted at both the Insurance and Finance Committee meetings and was recommended that this be approved by the Board.

Commissioner Heaton offered a motion to approve a contract with BLD Services for the base bid amount of \$32,700 for the Lakefront Airport Drain Line Repair Project, seconded by Commissioner Hoffman and unanimously adopted to wit:

MOTION: 03-012314
RESOLUTION: 03-012314
BY: COMMISSIONER HEATON
SECONDED: COMMISSIONER HOFFMAN

January 23, 2014

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

WHEREAS, the Executive Director of the Management Authority solicited quotes from contractors for certain drain line repairs and inspection of drain lines at the Airport;

WHEREAS, the lowest quote for the drain line repair work was submitted by BLD Services, L.L.C. for the price of \$32,700.00;

WHEREAS, BLD Services, L.L.C. also submitted a quote in the amount of \$23,100.00 for the inspection of drain lines at the Airport, which was not the lowest quote for the inspection of the drain lines;

WHEREAS, the Airport Committee at its January, 2014 meeting considered the quotes received for the drain line repairs and inspection and voted to recommend approval of a contract with BLD Services, L.L.C. for the drain line repairs for the price of \$32,700.00, subject to approval of the Finance Committee;

WHEREAS, the Finance Committee at its January, 2014 meeting considered the recommendation of the Airport Committee and also voted to recommend approval of a contract with BLD Services, L.L.C. for the drain line repairs for the price of \$32,700.00; and,

WHEREAS, the Management Authority after considering the recommendation of the Airport and Finance Committees resolved that it is in the best interest of the Orleans Levee District to approve a contract with BLD Services, L.L.C. for the drain line repairs at the Airport.

THEREFORE BE IT HEREBY RESOLVED, that the Management Authority approves a contract with BLD Services, L.L.C. for drain line repairs at the New Orleans Lakefront Airport for the price of \$32,700.00.

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, ERNST, BAUDY, LUPO, HEATON, DUFRECHOU, HOFFMAN DeROUEN, CANTRELLE, STACK, BRIEN, SAIZAN, WHEATON

NAYS:

ABSTAIN:

ABSENT: TRASK, GREEN

RESOLUTION ADOPTED: YES

Motion 04-012314 - Motion to approve and ratify an employee dental insurance plan with Crescent Dental for an estimated annual premium of \$11,753.52

Mr. Capó advised that ratification was required for the employee dental care coverage with Crescent Dental. The premium is \$11,753.52 for a period of one year commencing on January 1, 2014 and ending December 31, 2014.

Commissioner Hoffman offered a motion to approve and ratify an employee dental insurance plan with Crescent Dental for an estimated annual premium of \$11,753.52, seconded by Commissioner Ernst and unanimously adopted to wit:

MOTION: 04-012314
RESOLUTION: 04-012314
BY: COMMISSIONER HOFFMAN
SECONDED: COMMISSOINER ERNST

January 23, 2014

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 was set to expire on December 31st, 2013 and A. J. Gallagher solicited quotes on renewal of the dental coverage;

WHEREAS, there were three quotes received and the lowest quote was from Assurant Insurance Company in the amount of \$10,820.28;

WHEREAS, the Finance Committee at its regularly scheduled monthly meeting held in December, 2013 recommended selection of the Assurant Insurance dental care plan offered at an annual premium of \$10,820.28 for active employees for a one year term commencing on January 1, 2014 and ending on December 31, 2014;

WHEREAS, the Management Authority at a Special Board Meeting held on December 5, 2013 adopted a resolution approving the dental plan with Assurant Insurance Company;

WHEREAS, subsequently Assurant Insurance Company notified the Executive Director of the Management Authority that its quote of \$10,820.28 was based on a dental plan for both the active employees of the Flood and Non-Flood Divisions of the Orleans Levee District and that the Flood Division had decided to choose another dental plan for its employees;

WHEREAS, A. J. Gallagher thereafter secured quotes for the dental care plan, including a quote from Crescent Dental in the amount of \$11,753.52, which was the lowest quote received;

WHEREAS, the Finance Committee of the Management Authority at its regularly scheduled January meeting considered the quotes secured by A. J. Gallagher for the dental care plan, and voted to recommend that the Management Authority procure dental insurance for active employees from Crescent Dental for a premium in the amount of \$11,753.52; and,

WHEREAS, the Management Authority after considering the recommendation of the Finance Committee resolved that it is in the best interest of the Management Authority and Orleans Levee District to approve dental care coverage with Crescent Dental for a premium in the amount of \$11,753.52.

THEREFORE, BE IT HEREBY RESOLVED, that the Non-Flood Protection Asset Management Authority approves and ratifies the procurement of employee dental care coverage with Crescent Dental for a premium in the amount of \$11,753.52 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, ERNST, BAUDY, LUPO, HEATON, DUFRECHOU, HOFFMAN DeROUEN, CANTRELLE, STACK, BRIEN, SAIZAN, WHEATON

NAYS:

ABSTAIN:

ABSENT: TRASK, GREEN

RESOLUTION ADOPTED: YES

Motion 05-012314 - Discussion to allow Flightline Ground, Inc. to acquire property, flood and general liability insurance

Mr. Capó advised that representatives from GOHSEP and the State can address any FEMA-related issues regarding this matter.

Commissioner Heaton informed that Flightline is one of the Authority’s FBOs at Lakefront Airport and has requested authority to purchase their own insurance. This

Authority inherited the policy that insurance is purchased by the Authority billed to the FBO. There is an exception with Landmark as the lease is grandfathered and allowed Landmark to purchase their own insurance. After a review of this request, many issues were revealed. One issue is that one FBO is required to carry \$2.8 million for a Hangar comparable to a Hangar that is paying \$9 million for approximately the same square footage. Before the policy issue is addressed, the issue has to be resolved as to why one FBO is paying \$2.8 million and one is paying \$9 million.

Mr. Avegno noted that the Risk Manager of Landmark Aviation explained that Landmark has a \$100 million per occurrence on property insurance. This is called an Actual Loss Sustained and will provide replacement costs no matter what the valuation of the building is. Landmark will soon go through the renewal process and will provide updated values on any building Landmark is responsible for.

Chairman Scott addressed the Schedule of Construction of building limits and questioned where the value of \$1,936,200 came from. Mr. Avegno advised that Carol Keifer (Flood Authority) performed valuations in 1995 and it is not known how long the building was insured using the value of \$1,936,200. The \$9 million appraisal was obtained from Stuart Consulting in 2012 when a revaluation of the Authority's buildings was performed. The \$9 million was the valuation on that hangar. The hangars are insured up the replacement cost of the building for a non-named storm - wind. The schedule is currently \$98 million in value and the Williams Hangar is listed at \$9.1 million.

Mr. Metzger questioned the procedure for a reduction in coverage on the Williams Hangar. Mr. Avegno stated an appraisal was required showing the reduction amount to prove to the underwriter why the value is being reduced. Mr. Nelson informed that Stuart was asked to provide replacement costs of the hangars from pilings to roof. Stuart used the square foot cost of the two hangars that were recently bid to arrive at a replacement cost. If the Williams Hangar was destroyed it could be built back as a cheaper facility, office space could not be at ground level and the existing foundation could not be used. It would not be possible to build it for \$2 million. Mr. Nelson advised that current IBC codes require that buildings be elevated and footings are installed.

Chairman Scott addressed an Ordinance and Law rider on the policy which will cover basically a replacement cost to re-build a hangar based on new codes and standards. Mr. Avegno advised that a certain limit must be given on the O&L policy as the rider does not guarantee an unlimited amount. Commissioner Heaton clarified that the Board is trying to ensure that the Authority's property is protected and to work with the FBO's in finding solutions to certain issues.

Patches Rhode, GOHSEP Insurance Specialist, advised that her job was to protect the Authority's assets. Mr. Capo contacted me regarding the Williams Hangar. FEMA follows the Stafford Act wherein flood and wind are different so the requirements are different. The Williams Hangar has a \$451,000 flood requirement and a \$700,000 wind requirement that will be versioned for that Hangar. Flood is obligated and required on the actual assistance dollars that are received. Wind is based on the cost of the total damage whether money was received or not. Flood insurance is the opposite and only what the Authority has received money for has to be covered. The Authority received \$451,000 in flood damage assistance.

Mrs. Rhode advised that the tenant can carry the insurance if the O&M is covered, the facility never leaves the responsibility of the Authority and the Authority is named as an additional insured. No written approval from the Authority is required. Do not include language in the lease stating that the tenant is responsible for any damage as this surrenders the Authority's legal right to collect money from FEMA, which is key to receiving FEMA funding.

The Insurance Commissioner Certificate is a gray area in the Stafford Act. The Commissioner can advise that the PWs were reviewed and that the Authority has spent money and met the required criteria. The criteria required is that a specific percentage of the budget must be spent on insurance. Once that percentage is met the Insurance Commissioner states that insurance over that percentage does not have to be purchased. The Insurance Commissioner Certificate is accepted by FEMA. The

Certificate does not protect all funding for future events. It protects current funding, you are not going de-obligated and you will not fall out of compliance. If there is another disaster the gap must be covered because the Certificate is not a waiver. The value of this building is a hot issue because the hangar will not be funded until the threshold of damage from prior events is reached. The threshold is the total wind and flood. On the Williams Hangar the total damage was \$1.6 million so that amount must be exceeded before the Authority receives another dime. As long as the O&M is covered the ICC is fine.

Brayton Matthews, Flightline First, stated that this issue has been very educational and thanked the Commissioners who have assisted in this matter. The Airport Committee has made an effort to helping build the Airport up and create a fair playing field for all competing FBOs to have a successful Airport. A special thanks to Commissioner Heaton who scheduled a special meeting with several officers of the Board, Mr. Nelson and the insurance agent to help Flightline get to this point. Should Flightline receive authority to purchase insurance, the policies will be presented to the Committee. Flightline is presently working with two insurance companies on those policies and the necessary appraisals. Everything will be brought to the Board for acceptance and the experts would be here to explain their policies to you so that there will be no misunderstanding. Appraisals will be performed on the Hangar if necessary.

Mrs. Rhode noted that sub-limits are what FEMA covers such as named storms and excess flood. The amount of coverage to your deductible cannot be more than a 15% ratio on a named storm. People purchase \$200 million policies with a 5% deductible, but that only covers fire or theft. Sub-limits drop down to a \$10 million in coverage with a \$5 million deductible and the 15% is immediately exceeded and puts you out of compliance. Commissioner Heaton advised that was a complex issue and as Airport Committee Chairman there are other issues that have to be solved. Commissioner Wheaton noted that there is a huge difference between being the owner of a policy and being an additional insured.

Motion 06-012314 – Discussion and approval of a contract with Universal Tel Com One

Chairman Scott advised of motion to add an item to the Agenda. Commissioner Heaton informed that the item to be added to the Agenda would be the authority for the Executive Director to execute a communications contract. The Authority's 36 month communications contract has expired and is currently on a month to month basis. Through research, the Authority could save approximately \$1,200 per month and solve the bandwidth issue that new tenants are experiencing at Lakefront Airport.

Commissioner Heaton offered a motion to suspend the rules to add execution of a communications contract to the Agenda, seconded by Commissioner Cantrelle. Mr. Metzger noted for the record that the contract is with Universal Tel Com One. The item was added to the Agenda to provide tenants telephone and internet capability and to save the Authority money. Commissioner Heaton advised that two tenants (Constable Bossier and Van Robichaux) have submitted letters advising of the extreme hardship this issue has caused. The letters have been attached to the minutes for the record. This contract is a direct savings and a communications contract is needed.

A unanimous roll call vote was taken and approval to add the item to the Agenda.

Commissioner Heaton advised that Universal Tel Com proposed to bring high speed internet to the New Orleans Lakefront Terminal Building. It is in the best interest of both parties to have high speed internet as soon as possible. The contract is being negotiated to give increased bandwidth at no cost to the Board and phone service is lagniappe. Communications are the tenants' responsibility, but this Authority should accommodate the tenants to help grow the Terminal Building and Airport and to save the Authority money as well. The Authority is presently paying \$5,200 per month for phone service at the Spanish Fort location and the Marinas. Universal's proposal is approximately \$2,600 per month for the same facilities. In the event of a storm the Authority could take the phone service to emergency operations at Orleans Levee District. The Authority has the option to remain on month-to-month contract or to enter

into a 36 month contract. If a 36 month contract is chosen there will be provision added in the contract which states that if funding was no longer available, the Authority has no obligation to pay the contract. There are no upfront costs and no capital investment is required. Mr. Fournier agreed to install voice over IP without any upfront capital required.

Chris Fournier, Universal Tel Com, stated the since Katrina the Authority is in a dead hole at Lakefront Airport for technology as there is nothing available except basic DSL. It is expensive to bring in the amount of bandwidth needed, but it is an economy of scale. Tenants would share a large bandwidth pipe and the cost is shared amongst all tenants. The equipment being brought in is a multiple T-1 bonded that will start out with 10 megs and increase as more tenants lease space. Eventually fiber will be offered in that area, which can be increased at a better cost. Wireless and satellite do not support voice over IP due to the delay which would prevent the phones from working properly. The Authority will get the exact same product with free internet and a cheaper rate. The phone system would be on a hosted service. There will be no maintenance costs and all costs to set up the equipment are fronted. Installing the equipment will not take long, but getting internet to that area will take approximately 30 days. There will be a contingency plan in which tenants can use multiple DSL that will be disconnected afterwards.

Mr. Fournier advised that there would be more costs associated with the Marina tenants. Preliminary costs to set up wireless at the Marinas would be approximately \$10,000 due to the way a Marina is structured. It would take more equipment to cover all boats. The Flood Authority purchased a system after Katrina which was recently upgraded to add the Police Department.

Mr. Capo advised that there was one additional proposal that covered the same properties, but the savings were not as much. Commissioner Heaton noted that Universal Tel Com is under the jurisdiction of the Public Service Commission and additional State entities were called including the City of Gretna. No capital investment is required, the tenants will be provided with internet and phone service and the Authority must get expenses down. The Authority complied with all requirements as no equipment was purchased. This is a policy that the Board should be involved in and legal counsel should review the contract to ensure all provisos are added in the contract.

Commissioner Hoffman clarified that the Authority is not executing this contract to provide internet service to tenants. The Authority is under no legal obligation to provide internet service to the Airport or Marina tenants. This is a good deal from my perspective as the Finance Committee Chair because it saves the Authority money on services that are required to operate the Authority. The fact that our tenants can take advantage of this is lagniappe.

Commissioner Heaton offered a motion to approve a communications contract with Universal Tel Com One, seconded by Commissioner Ernst and unanimously adopted by a roll call vote to wit:

MOTION: 05-012314
RESOLUTION: 05-012314
BY: COMMISSIONER HEATON
SECONDED: COMMISSIONER ERNST

January 23, 2014

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 solicited quotes for telephone and internet services and equipment for use by the non-flood employees of the Orleans Levee District at the Lake Vista Community Center Office, Orleans Marina, South Shore Harbor Marina and at the Terminal Building at the New Orleans Lakefront Airport;

WHEREAS, the lowest quote received for the telephone and internet services and equipment was from Universal TelCom, L.L.C., a Louisiana Limited Liability Company ("Universal TelCom");

WHEREAS, the quote by Universal TelCom was for \$2,569.52 per month for telephone and internet services for Thirty-Six (36) months with a waiver of charges for the installation of the equipment;

WHEREAS, a copy of the written proposal submitted by Universal TelCom is attached hereto; and,

WHEREAS, the Management Authority after considering the quotes received resolved that it is in the best interest of the Orleans Levee District to approve a contract with Universal TelCom for the telephone and internet services and equipment under the terms and conditions set forth above, subject to the right to cancel said contract if funding is not available for the services.

THEREFORE BE IT HEREBY RESOLVED, that the Management Authority approves a contract with Universal TelCom, L.L.C. for telephone and internet services and equipment for a term of Thirty-Six (36) months for a charge of \$2,569.52 per month, with a waiver of charges for the installation of the equipment and under the other terms and conditions set forth above, and which contract shall include a clause providing for cancellation if funding is not available for the services.

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

YEAS: SCOTT, ERNST, BAUDY, LUPO, HEATON, DUFRECHOU, HOFFMAN, DeROUEN, CANTRELLE, STACK, BRIEN, SAIZAN, WHEATON

NAYS:

ABSTAIN:

ABSENT: TRASK, GREEN

RESOLUTION ADOPTED: YES

Discussion and update regarding the following:

a. Airport Landing Lights

Mr. Pruitt advised the Board that Frank Landrum of the FAA is in charge of the NavAids at Lakefront Airport. The parts have arrived for the PAPI's (Precision Approach Path Indicators) for 36-L and more than half of the parts for 18-R have arrived. The PAPI lights will be working in approximately two weeks. After the systems are installed there will be flight checks and surveys to ensure the lights are working properly. By the end of February, the 36-L PAPIs will be operational, surveyed and certified. In conjunction with the repair, the Engineering Team at the FAA is considering a removable PAPI system which can be removed and stored during flood events. The removable PAPI system would be obtained with future funding.

Commissioner Heaton stated that this issue is of a critical nature and will be updated each month at both the Airport Committee and Board meetings until completion. Mr. Pruitt advised that the PAPIs are owned by the Federal Government, which is why this project is taking so long. The technical aspect of the lighting system would be a minimum of approximately \$40,000 and the system requires maintenance. The Authority would be required to pay for surveys and flight checks so the system is best left in the Federal Government's hands. Commissioner Heaton advised that letters would be sent on behalf of the Board to the congressional delegation regarding the issue. The Authority does not want ownership of those lights.

b. Status of Bastian-Mitchell Hangar

Mr. Capo advised that Landmark has signed the lease and the first rent check was received in the amount of \$22,614.

c. Request for Proposals for the James Wedell Hangar

Mr. Capo advised that the RFP has been prepared for the James Wedell Hangar. A site survey is being prepared by Dading, Marquez in which the leasehold and the footprint will be identified along with the appropriate square footages. The survey will be available in approximately one week and will be attached to the RFP and sent out. The lease for the James Wedell Hangar is similar to the Bastian-Mitchell Hangar lease and includes the insurance component of \$117,275 that is a reimbursement to the Authority.

d. Mural Restoration and Funding

Alton Davis, RCL Architecture, advised that Commissioner Heaton would address funding for the mural restoration. The RFP was received by Elyse Granier and all of the requirements of the RFP proposal were met. A recommendation was given to approve Ms. Granier as the proposal was responsive. Ms. Granier submitted an estimate and has had the opportunity to view the murals. Reasonable alternate costs were given to recreate the eighth mural. Renovation of the murals is approximately \$80,000 and the

cost to recreate the third mural is an additional \$20,000. Ms. Granier met all of the criteria of the RFP and the recommendation of RCL is to enter into a contract with Ms. Granier when the Authority acquires the appropriate funding for restoration of the murals.

Commissioner Heaton advised that information regarding the mural restoration would be forwarded to the Board. An event marking the 80 year anniversary of Lakefront Airport will be held in the spring of 2014 with ticket sales going strictly to the restoration of the murals. Money will be raised through the arts community, but prior to any type of fundraising someone must be chosen for restoration of the murals so the public knows where the contributions are going. There will be no cost to the Board for restoration of the murals.

PUBLIC COMMENTS:

Dawn Hebert – Resident

Ms. Hebert stated that the lane coming westbound from Seabrook to Franklin is closed on weekends and there are no lights after 8:00 p.m. The Authority spent a few million dollars to repair the Mardi Gras Fountain which nobody can see. There has been much discussion regarding lane closures, yet from Seabrook to Franklin there is no construction underway and the area at the opposite end of the lake is in deplorable condition. The backyards of 1700 block of Lakeshore Drive face the lake and that section of public property has become private property and closed off. Residents of New Orleans East are the clients and taxpayers and are being inconvenienced along that stretch of public property. Mountains of dirt sat in the area for several years, but now there is an issue with large trucks which is understandable. Mrs. Hebert requested that the lane closure on the weekends be reversed from the west side coming east.

Mr. Capo advised that during the 1980's the direction was limited from west to east for the entire length of Lakeshore Drive. The two northern lanes of Lakeshore Drive are used for recreational joggers and bikers, which policy has remained in place since the 1980's. The area between Seabrook and Franklin is included and the policy has not been changed. DEI will be working on the north lanes installing the promenade and concrete cap on the eastern end of Lakeshore Drive in the near future.

Commissioner DeRouen advised that this was the first time a request has been made to change the direction of traffic on Lakeshore Drive. If this is an important issue for residents of New Orleans East it will be discussed, but to make a decision tonight is inappropriate. There are Commissioners on this Board with more seniority who may know why this issue has never been discussed, but it is worthy of discussion.

Mr. Capo advised that years ago the former Board passed a Resolution which authorized that the area behind 1700 Lakeshore Drive be closed off to vehicular traffic. Pedestrians are allowed in the area behind 1700 Lakeshore Drive. If the current Board made the decision to open Lakeshore Drive, the Police will abide by the decision.

Commissioner Wheaton advised that the reason the area was closed by Shelter No. 1 is there were many people who would park their cars there with stereos playing very loud. The same thing was happening further down and there was also construction underway. The decision was made to create a quiet area for people to study or walk their dogs. The area was not meant to prohibit the public, but vehicular traffic is not allowed. The area gets a lot of use, but it is not vehicular. There is a parking space in the front for vehicles to park. Commissioner Heaton suggested these items be placed on the Recreation/Subdivision Committee Agenda and noted that one of the reasons these areas were closed was due to cutbacks and the lack of Levee Police to patrol the area.

Mr. Capo advised that the lights from Marconi going west will come on within 90 days and the north side of the promenade will be complete in April. The Flood Authority will pay the cost to repair the lights that have been sitting idle for eight years. The lights are being replaced with LED lights to reduce the utility cost. The lights between Franklin and Seabrook are not currently working. The Flood Authority has contributed \$700,000 to repair or replace the broken lights along Lakeshore Drive. Entergy will then energize the vaults and the lights will be turned on at that time by the Authority. There may be

some lights that work, but those lights are not yet being turned on as there may be some danger in doing so. Commissioner Cantrelle noted that it was her understanding that the lights were turned off because this Authority lost the Levee Board Police, which never made sense. Commissioner Stack stated that the utilities were disconnected due to new Corps policy that does not allow utilities to connect through the vault system, which has been restored. The Board has to find the reason why the lights along the entirety of Lakeshore Drive from Seabrook to West End are not turned on.

Jonathan Buff, General Manager of Hawthorne Aviation, addressed the Wedell Hangar and questioned if there would be a normal RFP process for bids on the Hangar. Commissioner Heaton advised that a rigorous process was used to establish market rate on the Bastian-Mitchell Hangar. Out of deference to the FBOs who were interested in the hangar, a recommendation could be made to the Board to negotiate with those FBOs. This is more of a fairness issue since market rates have been established. Mr. Metzger informed the Board that the FAA advised issuing an RFP for the Hangar. The time period for responses would be 30 days.

Bryaton Matthews, Flightline First, noted that there is an enormous amount of history on the Lakefront going back to World War II. There is a measured mile marker still existing. I think that mile marker should be preserved because the other one is gone. With the boat being redone at the World War II Museum it would be nice to make sure that the measured mile marker may be a plaque that said what it was because how many people know what it is.

NEXT BOARD MEETING

The next full Board meeting of the Non-Flood Protection Asset Management Authority is scheduled for Thursday, February 20, 2014 at 5:30 p.m.

ADJOURNMENT

Commissioner DeRouen offered a motion to adjourn, seconded by Commissioner Heaton and unanimously adopted. The meeting adjourned at 8:18 p.m.