

THE NON-FLOOD PROTECTION ASSET MANAGEMENT AUTHORITY
MINUTES OF THE FULL BOARD MEETING
THURSDAY JUNE 18, 2015 – 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, June 18, 2015 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.

Chair Ernst called the meeting to order at 5:42 p.m. and led in the Pledge of Allegiance. The roll was called which constituted a quorum.

PRESENT:

Chairman Greg Ernst
Vice Chairman Wilma Heaton
Comm. Michael Stack
Comm. Eugene Green
Comm. Stan Brien
Comm. Thomas Fierke
Comm. Dieter Hugel
Comm. William Settoon
Comm. Leila Eames
Comm. Anthony Richard
Comm. Roy Arrigo

ABSENT:

Comm. Glenn Higgins

STAFF:

Cornelia Ullmann – Chief Operating Officer
Sharon Martiny – Non-Flood
Ben Morris – Interim Airport Director

ALSO PRESENT:

Gerard Metzger - Legal Counsel
Al Pappalardo - Real Estate Consultant
Steve Nelson – Stuart Consulting
Brayton Matthews – Flightline
Addie Fanguy – Landmark Aviation
Ann Duffy – Lake Oaks Resident
Joe Hassinger – President, Flood Authority
Walter Baudier – DEI
Tom White – Fairview Realty
Charles Kennedy – The Kennedy Financial Group
Sidney Bertrand – Lake Oaks Resident
John Skinner – Lake Oaks Resident
Ronald Bocage – Lake Oaks Resident
Doretha Walker – Lake Oaks Resident
Van Robichaux – Lake Oaks Resident
Myron Mitchell – Brent L. Mitchell Foundation

OPENING COMMENTS

Chair Ernst advised that the Authority is losing several board members who were not confirmed by the Senate and noted appreciation for their hard work and contribution to the Board. Comm. Baudy, Cantrelle, Saizan and DeRouen's efforts were truly appreciated. Comm. Hugel will no longer be serving on the Board, and has also made helpful contributions in insurance and commercial real estate matters. Roy Arrigo is Sen. Murray's appointee to the Board and we look forward to working with him. Mr. Metzger suggested Sen. Murray's letter of appointment (for Mr. Arrigo) be entered into the record.

Comm. Richard's arrival is noted for the record.

ADOPT AGENDA

Comm. Hugel offered a motion to amend the Agenda, seconded by Comm. Settoon and unanimously adopted.

APPROVE MINUTES

The minutes of the May 21, 2015 Board meeting was deferred.

Committee Reports and Presentations were heard later in the meeting to ensure a quorum.

REPORT BY CHIEF OPERATING OFFICER

The COO advised that the Mardi Gras Fountain is working. Water Works is currently in charge of keeping the Fountain running, but it will be placed on automatic program. Magnolia Pools maintains the Fountain.

COMMITTEE REPORTS

Airport Committee – Comm. Heaton recognized two fixed base operators: Addie Fanguy and Brayton Matthews and thanked the FBOs for their patience. The Authority is proud of its progress and Comms. Stack, Cantrelle and Baudy have been part of an amazing Airport Committee. Ochsner (Landmark’s tenant) has done a good job renovating their offices and Children’s Hospital is in the National. Guard Hangar. The Louisiana Dept. of Health and Hospitals wrote a glowing letter of support to Secretary Fugate at FEMA supporting the flood wall hazard mitigation grant. Steve Nelson, Stuart Consulting, will update the status of this \$67.7 million grant.

Mr. Nelson informed the Board that FEMA sent a request for additional information on May 22, 2015 with fairly straight forward questions. The primary concern is approval of new construction in a V-zone. There are two exceptions for new construction in a V-zone: is the facility functionally dependent on being at that location and whether Lakefront Airport has to be located adjacent to water. When Lakefront Airport was built it was the only airport in the nation which served both amphibious and land based aircraft. An amphibious aircraft cannot be serviced if not adjacent to water.

Comm. Heaton addressed the police station located on Elysian Fields and noted the building was covered in the Memorandum of Understanding. The Non-Flood Authority permitted the Flood Authority to build a police station on that property. The Authority applied for a capital outlay request and Priority 5 funding. A Resolution will be prepared for continued support of the Police Station to the State Bond Commission. The Flood Authority supported the Elysian Fields site as the number one location to rebuild the police station, which will mean a great deal to Lake Oaks’ residents.

Insurance Committee – Chair Hugel advised Eagan Insurance (Tim Avegno) was just approved as Insurance Consultant and there is a good program going forward. Comm. Fierke noted that Comm. Hugel’s expertise made insurance matters more understandable as insurance for this Authority is not simple.

Marina Committee – Comm. Settoon advised an RFP was prepared for a bathymetric survey to support applications for grant money to pay for low area dredging. The RFP must be amended to include space in front of the Southern Yacht Club. A report addressing how the 10% maintenance surcharge was spent has been distributed as requested and it has been posted on the website. Bilingual “No Swimming” signs will be posted in all appropriate areas. There are no national standards regarding the placement of signs. Chair Ernst requested Comm. Settoon update the status of the signs at the July Board meeting.

Commercial Real Estate Committee – Comm. Green advised that six boathouse transfers are currently underway. Negotiations continue on the long term lease of Bally’s and the South Shore Harbor September music festival. Comm. Heaton advised that the first hope out of the Bond Commission is Priority 5 approval for rebuilding the police station at the Elysian Fields site due to the current crime situation. The current police building is falling down around them and the Levee District will put up over \$2 million to rebuild the building.

Recreation/Subdivision Committee – The June Recreation Committee meeting was deferred until July.

Finance Committee – Comm. Stack advised that revenues are up and expenses are down. The Authority is in good shape with the budget and will move forth with the fiscal year closeout with a significant amount of money going forward. Comm. Heaton noted that all money the Authority has is encumbered to the Flood Authority due to statute, which is very clear - any excess monies go to the Flood Authority. The COO informed that next fiscal year begins June 30, 2015. The Legislative Auditor requires an audit process and assigns auditors perform the audit.

Legal Committee – Comm. Fierke stated that issues were covered in Executive Session. No further lawsuits have been resolved. Chair Ernst noted that there is a favorable resolution that was already presented about the Mormon Church property.

EXECUTIVE SESSION

1) Discussion regarding subdivision and use restrictions including but not limited to Lake Oaks Subdivision. La. R.S. 42:17(A)(2)

Mr. Metzger advised that the issue applies to Lake Oaks primarily, and is warranted under La. R.S. 42 §17, which deals with litigation and an open meeting having a detrimental effect on bargaining or litigation position of the public body.

Chair Ernst advised of the recent Mormon Church purchase of real estate on the Lakefront. Members of the public from Lake Oaks are concerned about the issue, and there is potential for litigation.

Comm. Fierke offered a motion to go into Executive Session, seconded by Comm. Stack. The following vote was taken to go into Executive Session:

Yes: Ernst, Heaton, Stack, Brien, Fierke, Hugel, Settoon, Eames, Higgins,
Richard, Arrigo
No: Green

After Executive Session, Chair Ernst resumed the meeting and advised that no action was taken by the Board during Executive Session. Nyka Scott, attorney for SLFPA-E (Flood Authority), will brief the public on comments regarding the church property. She advised that the Orleans Levee District owns four parcels within the two squares which are the subject of this litigation. Square One is the area where the new owner of the property is proposing to build the condominium development. The Levee District owns 60% of those pieces of property in the squares designated on the subdivision plat map as “religious”. The Flood Authority Board met earlier today, and is voting to defer any action pending counsel’s recommendation. The Non-Flood Authority is not in a legal position to take action on this issue. The Flood Authority is the entity authorized to take action, and as Executive Counsel, she has been authorized to review the matter and to make appropriate recommendations regarding the filing of an injunction.

NEW BUSINESS

1) Motion to engage special counsel regarding various personnel and contractual matters, separate from attorneys currently under consideration, final selection of counsel, if any, subject to board approval. (Comm. Fierke)

Comm. Fierke offered a motion to adopt the Resolution filling in the blank for the attorney with the name of Mike Tusa of the Law Firm of Sutton, Alker & Rather, seconded by Comm. Hugel and unanimously adopted to wit:

MOTION: 01-061815
RESOLUTION: 01-061815
BY: COMMISSIONER FIERKE
SECOND BY: COMMISSIONER HUGEL

June 18, 2015

RESOLUTION

WHEREAS, the Non-Flood Protection Asset 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;

WHEREAS, occasions arise when the Authority requires the professional services of legal counsel to advise it on various personnel and contractual matters;

WHEREAS, issues have recently arisen of a confidential nature related to contractual matters for which the Authority desires guidance and input from counsel separate from those attorneys that responded to the recent RFQ;

WHEREAS, Michael T. Tusa, Jr., Bar Roll No. 02154, of the law firm of Sutton, Alker & Rather is an attorney who has specialized in personnel and contractual matters currently under consideration for over 30 years;

WHEREAS, the Authority desires to enter into a professional services contract with said attorney, to handle advise it on personnel and contractual matters effective on June 19, 2015 and expiring on June 30, 2016, at a rate of \$225.00 per hour for legal services, plus expenses, and under the terms and conditions specified in the attached Professional Legal Services Contract;

WHEREAS, in accordance with Louisiana law, the Professional Legal Services Contract is subject to approval by the Office of the Attorney General of the State of Louisiana.

WHEREAS, after consideration of the Professional Legal Services Contract with Michael T. Tusa, Jr., Bar Roll No. 02154, of the law firm of Sutton, Alker & Rather, the Authority considers it to be in the best interest of the Authority and the Orleans Levee District to approve the Professional Legal Services Contract with Michael T. Tusa, Jr., Bar Roll No. 02154, of the law firm of Sutton, Alker & Rather, under the term and conditions specified in the attached Professional Legal Services Contract; and,

BE IT HEREBY RESOLVED, that the Authority approves a Professional Legal Services Contract with Michael T. Tusa, Jr., Bar Roll No. 02154, of the law firm of Sutton, Alker & Rather, under the terms and conditions specified in the attached Professional Legal Services Contract, subject to approval by the Office of the Attorney General of the State of Louisiana.

BE IT HEREBY FURTHER RESOLVED, that the Chairman or Chief Operating Officer of the Management Authority be and is hereby authorized to take any action and to sign any and all documents necessary to accomplish the above.

The foregoing was submitted to a vote, the vote thereon was as follows:

YEAS: ERNST, HEATON, STACK, BRIEN, GREEN, FIERKE, HUGEL, SETTOON, EAMES, HIGGINS, RICHARD, ARRIGO

NAYS: NONE

ABSTAIN: NONE

ABSENT: NONE

This resolution was declared adopted this 18TH day of June, 2015.

2) Motion to approve lease of Room 113 in the Terminal Building to Pierce Aviation.

Comm. Heaton advised that this is recommended by staff and real estate Consultant, Al Pappalardo. Rental of Room 113 to Pierce Aviation means more revenue for Lakefront Airport.

Comm. Heaton offered a motion to approve lease of Room 113 in the Terminal Building to Pierce Aviation, seconded by Comm. Hugel and unanimously adopted to wit:

MOTION: 02-061815
RESOLUTION: 02-061815
BY: COMMISSIONER HEATON
SECONDED: COMMISSIONER HUGEL

June 18, 2015

RESOLUTION

WHEREAS, the Non-Flood Protection Asset Management Authority (“Lessor”) is a political subdivision of the State of Louisiana and the governing authority of the non-flood protection assets of the Orleans Levee District;

WHEREAS, the Authority manages, operates and administers the New Orleans Lakefront Airport, which is a non-flood protection asset owned by the Orleans Levee District;

WHEREAS, Lakefront Airport Terminal was severely damaged by Hurricane Katrina in August of 2005 and the Authority completed extensive repairs to and renovations of the Terminal;

WHEREAS, Pierce Aviation, proposes to lease Office 113, containing 946 square feet in the Terminal, as an office to establish New Orleans-based offices for jet management and brokerage operations, under the terms and conditions set forth below;

WHEREAS, the proposed lease will be for a primary term of two (2) years, commencing on the 1st day of July, 2015, with a base annual rental of \$13,244.00, payable in equal monthly installments of \$1,104.00 each, with three (3) two (2) year options to renew, subject to a CPI adjustment of the annual rental rate during each of the option terms; said lease will also provide that the lessee will be responsible to pay an additional rent consisting of a pro-rata share of the insurance premiums, electricity and gas charges at the Terminal, which as of the commencement date of the lease will be \$425.00 per month,

resulting in a total monthly rental of \$1,529.00 at the commencement of the lease, and which additional rent pro-rata share of insurance and utility charges will be recalculated each year of the lease and Lessee agrees to pay the new additional rent when so notified of the recalculation;

WHEREAS, the Airport Committee of the Authority at its meeting held on June 18, 2015 unanimously voted to recommend approval of the lease with Pierce Aviation, under the terms set forth above; and,

WHEREAS, the Authority after considering the recommendation of the Airport Committee resolved that it was in the best interest of the Airport and the Orleans Levee District to approve the proposed lease with Pierce Aviation, under the terms and conditions set forth above.

THEREFORE, BE IT HEREBY RESOLVED, that the Authority approves a lease of Office 113 in the Terminal at the New Orleans Lakefront Airport with Pierce Aviation, effective July 1st, 2015, for a primary term of two (2) years, with a base annual rental of \$13,244.00, payable in equal monthly installments of \$1,104.00 each, with three (3) two (2) year options to renew, subject to a CPI adjustment of the annual rental rate during each of the option terms; and, said lease will also provide that the lessee will be responsible to pay an additional rent consisting of a pro-rata share of the insurance premiums, electricity and gas charges at the Terminal, which as of the commencement date of the lease will be \$425.00 per month, resulting in a total monthly rental of \$1,529.00 at the commencement of the lease, and which additional rent pro-rata share of insurance and utility charges will be recalculated each year of the lease and Lessee agrees to pay the new additional rent when so notified of the recalculation.

BE IT HEREBY FURTHER RESOLVED, that the Chairman or Chief Operating Officer be and is hereby authorized to sign any and all other documents necessary to carry out the above.

The foregoing was submitted to a vote, the vote thereon was as follows:

YEAS: ERNST, HEATON, STACK, BRIEN, GREEN, FIERKE, HUGEL, SETTOON, EAMES, HIGGINS, RICHARD, ARRIGO

NAYS: NONE

ABSTAIN: NONE

ABSENT: NONE

This resolution was declared adopted this 18th day of June, 2015.

3) Motion to approve the New Orleans Advocate as the Official Journal for a term of one year as required under La. R.S. 43:171. (Finance Comm. recommends)

The COO read the motion as follows: Motion to approve the New Orleans Advocate as the Official Journal for a term of one year as required under La. R.S. 43:171. (Finance Comm. recommends)

Comm. Heaton offered a motion to approve the New Orleans Advocate as the Official Journal for a term of one year as required under La. R.S. 43:171, seconded by Comm. Hugel. Chair Ernst called for discussion and there was none.

The Resolution was unanimously adopted to wit:

MOTION: 03-061815
RESOLUTION: 03-061815
BY: COMMISSIONER STACK
SECONDED: COMMISSIONER HEATON

June 18, 2015

RESOLUTION

WHEREAS, the Non-Flood Protection Asset 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;

WHEREAS, La. R.S. 43:171 provides that levee districts and other political subdivisions shall have the proceedings of their board and such financial statements required by and furnished to the Louisiana Legislative Auditor published in a newspaper, which shall be selected at its meeting in June of each year for a term of one year;

WHEREAS, the Authority as a political subdivision is required to comply with the provisions of La. R.S. 43:171;

WHEREAS, La. R.S. 43:171 further provides that the newspaper shall meet certain criteria relative to location and publication;

WHEREAS, the New Orleans Advocate is a newspaper in the Parish of Orleans that meets the aforementioned statutory criteria for publishing the proceedings of the Authority; and,

WHEREAS, the Authority after considering this matter resolved that it was in the best interest of the Authority to select the New Orleans Advocate as its official journal;

THEREFORE, BE IT HEREBY RESOLVED, that the New Orleans Advocate be and is hereby selected as the official journal for publications by the Non-Flood Protection Asset Management Authority, for a term of one (1) year, effective June 1, 2015, as required under La. R.S. 43:171.

BE IT FURTHER HEREBY RESOLVED, that the Chairman or Chief Operating Officer be and is hereby authorized to execute any and all documents necessary to carry out the above.

The foregoing was submitted to a vote, the vote thereon was as follows:

YEAS: ERNST, HEATON, STACK, BRIEN, GREEN, FIERKE, HUGEL, SETTOON, EAMES, HIGGINS, RICHARD, ARRIGO

NAYS: NONE

ABSTAIN: NONE

ABSENT: NONE

This resolution was declared adopted this 18TH day of June, 2015.

4) Motion to renew the following insurance policies: workers compensation, airport owner/operator, public official liability, general liability, marina liability, property insurance (wind and fire) and to purchase excess liability insurance (Insurance Comm. recommends)

The COO advised the Insurance Committee recommended these policies and noted a spreadsheet was prepared with specific information regarding the policies.

Comm. Hugel advised that Mr. Avegno of Eagan Insurance did a fine job in giving the Authority more property coverage for less money than the Authority paid last year. Chair Ernst thanked Comm. Hugel and the Insurance Committee for their efforts and noted that this is a huge windfall benefit to the Board.

Comm. Hugel offered a motion to renew the following insurance policies: workers compensation, airport owner/operator, public official liability, general liability, marina liability, property insurance (wind and fire) and to purchase excess liability insurance, seconded by Comm. Settoon and unanimously adopted to wit:

MOTION: 04-061815
RESOLUTION: 04-061815
BY: COMMISSIONER HUGEL
SECONDED BY: COMMISSIONER SETTOON

June 18, 2015

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 following insurance coverages will be expiring on or about July 1, 2015:

1. Property Insurance (Wind and Fire)	\$482,307.15
2. Marina Liability Insurance	\$ 25,000.00
3. General Liability Insurance	\$ 22,446.80
4. Airport Owner/Operator Liability Insurance	\$ 23,427.00
5. Public Official Insurance	\$ 20,907.60
6. Workers Compensation Insurance	\$ 28,873.00
7. Excess Liability Insurance	\$ 7,676.00
8. Fuel Farm Insurance	\$ 52,725.00
9. Business Auto Insurance (rewrite to 7/1/2015)	\$ 36,261.00
10. Business Auto Insurance (Fire Truck)	\$ 2,905.00

WHEREAS, Eagan Insurance Agency has shopped the market for these coverages and obtained the following quotes;

WHEREAS, for Property Insurance (Wind and Fire), Eagan obtained a quote of \$482,307.15, which includes a wind deductible that was reduced to 3% for named storm events from AMRISC;

WHEREAS, for marina liability insurance, Eagan obtained a quote of \$25,000.00 from Liberty Mutual Ins. Co.;

WHEREAS, for general liability insurance, Eagan obtained a quote of \$22,446.80 from Colony Ins. Co.;

WHEREAS, for airport owner/operator liability insurance, Eagan obtained a quote of \$23,427.00 from Ace Property and Casualty Ins. Co.;

WHEREAS, for public official insurance, Eagan obtained a quote of \$20,907.60 from Darwin Select Ins. Co.;

WHEREAS, for workers compensation insurance, Eagan obtained a quote of \$28,873.00 from LWCC;

WHEREAS, for excess liability insurance, Eagan obtained a quote of \$7,676.00 from Torus Ins.

WHEREAS, for fuel farm insurance, Eagan obtained a quote of \$57,725.00 from Milwaukee Casualty Ins. Co.;

WHEREAS, for business auto insurance (rewrite to July 1, 2015), Eagan obtained a quote of \$36,261.00 from Milwaukee Casualty Ins. Co.

WHEREAS, for business auto insurance (fire truck), Eagan obtained a quote of \$2,905.00 from Milwaukee Casualty Ins. Co.

WHEREAS, the properties and functions to be insured are under the jurisdiction of the Authority.

THEREFORE, BE IT HEREBY RESOLVED that the Non-Flood Protection Asset Management Authority authorizes the procurement of Property Insurance (Wind and Fire) coverage from AMRISC for an estimated total annual premium of \$482,307.15 which includes a wind deductible that was reduced to 3% for named storm events, Marina Liability Insurance coverage from Liberty Insurance Company for an estimated total annual premium of \$25,000.00, General Liability Insurance coverage from Colony Insurance Co. for an estimated total annual premium of \$22,446.80, Airport Owner/Operator Liability Insurance coverage from Ace Property And Casualty Insurance CO. for an estimated total annual premium of \$23,427.00, Public Official Insurance coverage from Darwin Select Insurance CO. for an estimated total annual premium of \$20,907.60, Workers Compensation Insurance coverage from LWCC for an estimated total annual premium of \$28,873.00, and Excess Liability Insurance from Torus Ins. for an estimated total premium of \$7,676.00; Fuel Farm Insurance from Milwaukee Casualty Ins. Co. for an estimated total annual premium of \$52,725.00, Business Auto Insurance (rewrite to July 1, 2015) from Milwaukee Casualty Ins. Co. for an estimated total annual premium of \$36,261.00 and Business Auto (Fire Truck) from Milwaukee Casualty Ins. Co. for an estimated total annual premium of \$2,905.00.

BE IT FURTHER HEREBY RESOLVED that the Authority Chairman or Chief Operating Officer be and is hereby authorized to sign any and all documents necessary to carry out the above.

YEAS: ERNST, HEATON, STACK, BRIEN, GREEN, FIERKE, HUGEL, SETTOON, EAMES, HIGGINS, RICHARD, ARRIGO

NAYS: NONE

ABSTAIN: NONE

ABSENT: NONE

This resolution was declared adopted this 18th day of June, 2015.

5) Motion to Approve and Adopt the Louisiana Compliance Questionnaire for Audit Engagements of Government Agencies.

The COO advised that this Questionnaire encompasses the fiscal year ending June 30, 2015. Staff must answer the Questionnaire honestly that they are performing their job duties in compliance with statutory mandate on behalf of the Authority. The Chairman, Vice Chairman and Secretary are the persons that must sign the Questionnaire.

Comm. Heaton offered a motion to authorize the amendment, seconded by Comm. Hugel and unanimously adopted to wit:

MOTION: 05-061815
RESOLUTION: 05-061815
BY: COMMISSIONER HEATON
SECONDED BY: COMMISSIONER HUGEL

June 18, 2015

RESOLUTION

WHEREAS, the Non-Flood Protection Asset 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;

WHEREAS, political subdivisions and boards of the State of Louisiana are required to complete, adopt and submit the Louisiana Compliance Questionnaire (For Audit Engagements of Government Agencies) each year as part of the financial audit of Louisiana state and local governments and quasi-public agencies;

WHEREAS, the attached draft of the completed Questionnaire was prepared by staff;

WHEREAS, the completed Questionnaire requires the signature of an authorized officer of the Authority;

WHEREAS, after consideration of the draft responses to the Questionnaire, the Authority resolved that it is in the best interest of the Authority and Orleans Levee District to adopt the responses prepared by staff and authorize the Chairman, Secretary or Vice Chair to sign the attached Louisiana Compliance Questionnaire as part of the audit for the fiscal year that ended on June 30, 2015.

NOW THEREFORE, BE IT HEREBY RESOLVED, that the Authority hereby adopts the Louisiana Compliance Questionnaire (For Audit Engagements of Government Agencies), a copy of which is attached to this Resolution, and authorizes the Chairman, Secretary or Vice Chair to sign and the Chief Operating Office shall submit the Louisiana Compliance Questionnaire, as part of the audit for the fiscal year that ended on June 30, 2015, and any and all documents necessary to accomplish the above. The foregoing was submitted to a vote, the vote thereon was as follows:

YEAS: ERNST, HEATON, STACK, BRIEN, GREEN, FIERKE, HUGEL, SETTOON, EAMES,
HIGGINS, RICHARD, ARRIGO
NAYS: NONE
ABSTAIN: NONE
ABSENT: NONE

This resolution was declared adopted this 18TH day of June, 2015.

6) Motion to approve transfer of boathouses W-11, W-12 and W-13 (7337 S. Roadway) from Fairview Realty LLC to Tekie Kai Holdings Inc. for the stated consideration of \$1, subject to receipt of 8% transfer fee, execution of affidavits by buyer and seller regarding the transaction and certain rebuilding requirements. (CRE Comm. recommends)

Al Pappalardo, Real Estate Consultant, advised that Fairview Realty requested approval to demolish three boathouses in 2013, which was granted. Fairview Realty has not rebuilt and subsequently requested and received an extension to rebuild. The current lease includes an obligation to rebuild and the resolution obligates the new lessee to rebuild the improvements. The lessee is to submit plans and specifications for approval by the Authority's architects and to have obtained that approval, by December 1, 2015. The Resolution includes a complete rebuilding date of December 1, 2016. This lease is for the remainder of the existing lease dated October 1, 2007 (five years with five 5-year options).

Comm. Green offered a motion to approve transfer of boathouses W-11, W-12 and W-13 (7337 S. Roadway) from Fairview Realty LLC to Tekie Kai Holdings Inc. for the stated consideration of \$1, subject to receipt of 8% transfer fee, execution of affidavits by buyer and seller regarding the transaction and certain rebuilding requirements, seconded by Comm. Settoon and unanimously adopted to wit:

MOTION: 06-061815
RESOLUTION: 06-061815
BY: COMMISSIONER GREEN
SECONDED: COMMISSIONER SETTOON

June 18, 2015

RESOLUTION

WHEREAS, the Non-Flood Protection Asset Management Authority ("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, Orleans Marina located at West End in the City of New Orleans is one of the non-flood protection assets of the Orleans Levee District under the management and control of the Authority;

WHEREAS, as owner of the Orleans Marina, the Orleans Levee District is authorized to lease its water bottoms and land as moorings for boats and construction of boathouses for fair and equitable rental rates, as provided under La.Rev.Stat. 38:336(A) and (B) (4);

WHEREAS, Orleans Marina Boathouse sites W-11, 12 and 13, bearing Municipal Addresses 7325, 7329 and 7333 W. Roadway Street, respectively, are currently leased to Fairview Realty, L.L.C. pursuant to the term of a written Lease Agreement effective the 1st day of October, 2007, and two (2) Amendments of the Lease, which Lease is for a term of five (5) years commencing on October 1, 2007 and ending September 30, 2012, with the right of five (5) five (5) year renewal options, and under other terms and conditions set forth in the Lease Agreement (the "Lease" or "Lease Agreement");

WHEREAS, Fairview Realty, L.L.C. has requested approval to assign and transfer its rights to lease Boathouses W-11, 12 and 13 to Tekie Kai Holdings, Inc. represented by Myrna Guity Davis, who has agreed to the assignments and purchase of the improvements on the leasehold owned by the Lessee for the price and sum of One (\$1.00) Dollar;

WHEREAS, under Article X of the Lease Agreement the Lessor's consent is required for an assignment of the Lease and this Article also provides for payment to the Lessor of an eight (8%) percent transfer fee of the total amount of any consideration received by the Lessee;

WHEREAS, Fairview Realty, L.L.C. has agreed to pay the eight (8%) percent transfer fee, totaling Eight (\$0.08) Cents, upon the assignment of the Leases and sale of the improvements, and Tekie Kai Holdings, Inc. represented by Myrna Guity Davis has agreed to assume all of the obligations under the Lease Agreement;

WHEREAS, the Lessee has an obligation to rebuild three boathouse structures at the Leased Premises in accordance with the regulations governing construction of structures in the Orleans Marina by the Orleans Levee District and all other required regulatory agencies by the date of December 1, 2016;

WHEREAS, The Commercial Real Estate Committee of the Authority heard the request for transfer and recommended that the Lessee's plans and specifications for construction must be approved

by the Authority's Architectural Consultant no later than December 1, 2015 and all construction of Boathouse improvements on the sites must be completed by December 1, 2016;

WHEREAS, the Authority after considering this matter resolved that it was in the best interest of the Orleans Levee District to approve the assignments by Fairview Realty, L.L.C. of its rights to lease South Roadway Boathouse sites Nos. W-11, 12 and 13 along with the sale of the improvements located thereon to Tekie Kai Holdings, Inc. represented by Myrna Guity Davis, conditioned upon payment of the 8% transfer fee of the consideration received by the Fairview Realty, totaling Eight (\$0.08) Cents, as required under the Lease Agreement, the execution of Affidavits by Fairview Realty, L.L.C. and Tekie Kai Holdings, Inc. as required by the Authority and the assumption of all of the obligations under the Lease Agreement by Tekie Kai Holdings, Inc. represented by Myrna Guity Davis; subject to the execution of the transfer of the leases, execution of the required affidavits, compliance with the approval Lessee's of plans and specifications by the Authority's Architectural Consultant by December 1, 2015, with construction being completed no later than December 1, 2016 and payment of the 8% transfer fee within sixty (60) days of approval by the Authority and,

THEREFORE, BE IT HEREBY RESOLVED, that the Authority approves the assignment by Fairview Realty, L.L.C. of its rights to lease South Roadway Boathouse sites No. W-11, 12 and 13, municipal address 7325, 7329 and 7333 W. Roadway, respectively, and sale of the improvements located thereon to Tekie Kai Holdings, Inc. represented by Myrna Guity Davis, conditioned upon payment of the 8% transfer fee of the consideration received by Fairview Realty, totaling Eight (\$0.08) Cents and subject to the execution of the transfer of the lease, execution of required affidavits, compliance with the approval of Lessee's plans and specifications by the Authority's Architectural Consultant by December 1, 2015, with construction being completed no later than December 1, 2016 and payment of the 8% transfer fee within sixty (60) days of approval by the Authority, as required under the Lease Agreement, and the assumption of all of the obligations under the Lease Agreement by Tekie Kai Holdings, Inc. represented by Myrna Guity Davis.

BE IT HEREBY FURTHER RESOLVED, that the Chairman or Chief Operating Officer of the Management Authority be and is hereby authorized to take any action and to sign any and all documents necessary to accomplish the above.

The foregoing was submitted to a vote, the vote thereon was as follows:

YEAS: ERNST, HEATON, STACK, BRIEN, GREEN, FIERKE, HUGEL, SETTOON, EAMES,
HIGGINS, RICHARD, ARRIGO
NAYS: NONE
ABSTAIN: NONE
ABSENT: NONE

This resolution was declared adopted this 18TH day of June, 2015.

7) Motion to accept sole respondent to RFQ for structural engineer or architect familiar with shoring, foundations and slabs and general upgrade of small commercial office building, the team consisting of Design Engineering, Inc., and Manning Architects. (CRE Comm. recommends)

The COO advised that the Commercial Real Estate Committee recommends selection. Comm. Green advised that the Lake Vista Community Center requires maintenance and the two firms will provide a report which will be reviewed in the Commercial Real Estate Committee meeting. The COO added that rates were negotiated with the understanding that there is much work with a budget of \$350,000.

Comm. Stack offered an amendment to the motion that the engineering, architectural and testing work does not exceed 10% of the budget or \$35,000., seconded by Comm. Fierke and unanimously adopted.

MOTION: 07-061815
RESOLUTION: 07-061815
BY: COMMISSIONER GREEN
SECONDED: COMMISSIONER STACK

June 18, 2015

RESOLUTION

WHEREAS, the Non-Flood Protection Asset Management Authority was established by Act 1014 of 2010 by the Louisiana Legislature effective August 15, 2010 as the governing authority of the non-flood assets of Orleans Levee District and

WHEREAS, the Authority issued a Request for Qualifications for professional engineering services for a structural engineer or architect familiar with shoring, foundations and slabs, in particular floating slabs and general upgrade of small commercial office buildings;

WHEREAS, the Request for Qualifications was advertised and Statements of Qualifications were received Friday, April 10, 2015; and

WHEREAS, an Issuance of Clarification was issued on April 13, 2015 affirming that Respondents will be chosen without regard to compensation, price or price-related information as a factor in selection and that failure to include such information shall not be a disqualifying factor;

WHEREAS, after review of the submittals in response to the Request for Qualifications, the sole submittal from the team consisting of Design Engineering, Inc. and Manning Architects was selected for a full range of services related to the evaluation, design, implementation, repair, bidding and/or contracting for Lake Vista Community Center with a contract amount not to exceed 10% (\$35,000) of the budget of \$350,000;

BE IT HEREBY RESOLVED, that the Authority approves and authorizes a Professional Engineering Service Contract with the team consisting of Design Engineering, Inc. and Manning Architects for a full range of services related to the evaluation, design, implementation, repair, bidding and/or contracting for Lake Vista Community Center with a contract amount not to exceed 10% (\$35,000) of the budget of \$350,000;

BE IT FURTHER RESOLVED, that the Authority Chairman or Chief Operating Officer be authorized to sign any and all other documents necessary to accomplish the above.

The foregoing was submitted to a vote, the vote thereon was as follows:

YEAS: ERNST, HEATON, STACK, BRIEN, GREEN, FIERKE, HUGEL, SETTOON, EAMES, HIGGINS, RICHARD, ARRIGO

NAYS: NONE

ABSTAIN: NONE

ABSENT: NONE

This resolution was declared adopted this 18th day of June, 2015.

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8) Election to fill vacant office of Secretary of Board.

The COO advised that the former Secretary of the Board was Comm. Baudy and her term expired. Her contributions on behalf of the Authority were greatly appreciated and the COO relied upon Comm. Baudy's good counsel and advice.

Comm. Settoon nominated Comm. Thomas Fierke for the seat of Secretary to the Board, seconded by Comm. Higgins and unanimously adopted to wit:

MOTION: 08-061815
RESOLUTION: 08-061815
BY: COMMISSIONER SETTOON
SECONDED BY: COMMISSIONER HUGEL

June 18, 2015

RESOLUTION

WHEREAS, the Non-Flood Protection Asset 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;

WHEREAS, as provided under Article IV, Section 2 of the By-Laws of the Management Authority, if a vacancy occurs among the officers of the authority because of resignation, death, removal or disqualification, an election to fill the vacant office shall be held at a regular or special meeting within 30 days of the date of the vacancy;

WHEREAS, the position of Secretary became vacant during the 2015 Legislative session as a result of routine confirmation proceedings by the Senate;

WHEREAS, after motion made and duly seconded, the members of the Authority elected Thomas G. Fierke as Secretary;

THEREFORE BE IT HEREBY RESOLVED, that Thomas G. Fierke was elected as Secretary of the Board of the Non-Flood Protection Asset Management Authority commencing on June 18, 2015 and through August 31, 2015;

The foregoing was submitted to a vote, the vote thereon was as follows:

YEAS: ERNST, HEATON, STACK, BRIEN, GREEN, FIERKE, HUGEL, SETTOON, EAMES, HIGGINS, RICHARD, ARRIGO

NAYS: NONE

ABSTAIN: NONE

ABSENT: NONE

This resolution was declared adopted this 18th day of June, 2015.

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Chair Ernst noted the new Chair of the Legal Committee will be Comm. Fierke. Comm. Hugel advised that he will be stepping down at the end of the meeting. With the renewal of the slip leases he will not be able to continue. He expressed that it was an honor working with this Board and serving with each commissioner. Comm. Hugel contributed greatly to the Authority and in particular to the Insurance Committee and will be missed.

- 9) **DEFERRED**: Motion to engage Metzger Law Firm, attorneys Gerry Metzger and Charles Curtis as general counsel to the Authority; Gordon, Arata, McCollam, Duplantis & Eagan (Michael Botnick, Marion Weinstock, Scott O'Connor, Greg Grimsal and Phil Antis); Sher, Garner, Cahill, Richter, Klein & Hilbert, LLC (James Garner, Leopold Sher, Elwood Cahill, Richard Richter, Peter Hilbert, Marie Moore, Debra Fischman, Darnell Bludworth, Martha Curtis, Neal King, Joshua Force, Deborah Moench, Dorothy Lawrence, John Balhoff, Alvin Miester, Christopher Chocheles, Jeffrey Kessler, Ashley Coker, Joshua Clayton, David Marcello and Matthew Corman); The Kullman Firm (Stephen Scott and Brandan M. Greene); Mouldoux, Bland, LeGrand & Brackett (Patrick Costello, Mark Hanna and Trevor Cutaiar) and McCranie, Sistrunk, Anzelmo, Hardy, McDaniel & Welch (Thomas Anzelmo, Sidney Hardy, Kyle Kirsch, Lannie Milliman, Craig Canizaro, Kathryn Trew, Elizabeth McDermott, Rachel Guttmann and Amanda Sullivan) as additional counsel, as needed.

NEXT BOARD MEETING

The next full Board meeting of the Non-Flood Protection Asset Management Authority is scheduled for Thursday, July 16, 2015 at 5:30 p.m.

ADJOURNMENT

Comm. Hugel offered a motion to adjourn, seconded by Comm. Richard and unanimously adopted. The meeting adjourned at 6:55 p.m.