

**Minutes of the Non-Flood Protection Asset Management Authority  
Board Meeting**

Thursday, October 26, 2017 – 5:30 P.M.

The regular monthly Board Meeting of the Non-Flood Protection Asset Management Authority was held on Thursday October 26, 2017 at the Lakefront Airport Terminal Building, 2<sup>nd</sup> floor conference center, 6001 Stars and Stripes Blvd., New Orleans, Louisiana, after due legal notice of the meeting was sent to each Board member and the news media and posted.

Chair Heaton called the meeting to order at 5:32 p.m. Chair Heaton asked Comm. Settoon to lead the Pledge of Allegiance, and the roll was called which constituted a quorum.

**PRESENT:**

Chair Wilma Heaton  
Vice Chair Eugene Green  
Comm. Thomas Fierke  
Comm. Anthony Richard  
Comm. William Settoon  
Comm. Greg Ernst  
Comm. Roy Arrigo  
Comm. Chris Morvant  
Comm. Leila Eames

**ABSENT:**

Comm. Rodger Wheaton  
Comm. Pat Meadowcroft  
Comm. Sean Bruno  
Comm. Stanley Brien  
Comm. Dawn Hebert  
Comm. Carla Major

**STAFF:**

Jesse D. Noel, P.E. – Executive Director  
Ngoc Ford – Deputy Director  
Chanse Watson – Assistant Airport Director  
Dave Howard – Airport Manager  
Kim Vu – Executive Assistant

**ALSO PRESENT:**

Gerard Metzger – Legal Counsel  
Monte Shalett – LVPOA  
Steven Massicot – Massicot Group  
Richard Sackett – Oceana USA, LLC

**OPENING COMMENTS – CHAIR HEATON:**

Chair Heaton started out by thanking everyone for coming and noting that there's a lot of business to attend to. She reminded everyone of WWII Air Sea & Land festival being held this weekend. She asked for everyone to come out and support WWII air, sea, and land festival. She commended the staff for working hard around the clock for the event.

**MOTION TO ADOPT AGENDA:**

A motion offered to adopt the Agenda was moved by Comm. Eames, seconded by Comm. Fierke and unanimously adopted.

**MOTION TO APPROVE MINUTES OF BOARD MEETING:**

A motion to approve of October 26, 2017 Board Meeting Minutes was moved by Chair Heaton, seconded by Commissioner Richard.

**PUBLIC COMMENTS:**

None

**COMMITTEE REPORTS:**

**Airport** – Chair Heaton stated that the Lakefront Airport has been very busy and asked for details in the director’s report.

**Finance** – Chair Richard stated that the finance committee had a successful meeting with a quorum. The agenda included: discussion regarding update on budget comparisons, bank statement and check register. The main item on the agenda was the audit report by Carr Riggs and Ingram and it wasn’t completed at that time. Executive Director Noel stated that CRI submitted a draft audit report and a final report is expected in the next few weeks.

**Legal** – Chair Major stated there was no Legal committee meeting for the month of October. Mr. Metzger, the authority’s legal counsel, reported two matters have been dismissed. 1) Primeaux case: An accident case involving the Orleans Marina, dismissed by exception to no cause of action 2) Mansur civil service action case dismissed by civil service.

**Commercial Real Estate** – Chair Green reported that the items for Commercial Real Estate are moving forward. Orleans Levee District Police have moved into the LVCC building and had a successful night out against crime. Chair Green stated that at the next CRE meeting, there should be an update on an RFP for the former naval reserve site.

**Recreation and Subdivision** – No report was issued because the Recreation and Subdivision committee meeting was cancelled due to lack of quorum.

**Marina** – Chair Arrigo stated that the marina committee continues to progress with a number of projects ongoing. The committee hopes to wrap up some projects and the projects are going well and not stagnant. He mentioned a new project on covered boat slip roofs at South Shore Harbor. Chair Arrigo stated that staff has done a really good job speaking from the marina committee’s perspective. Staff has gotten a good grip on handling occupancy and updating payments. Chair Heaton added they did get a mooring survey on all the slips and that there should be a report by next month’s marina committee meeting. The marina committee is looking at regulations on what the marina is expected to do and what tenants are expected to do. Review is in draft right now by the survey company. Chair Heaton hopes for virtual leases with provisions for mooring and noted that the marina really dodged a bullet on this past storm. She stated that the board’s obligation is to work with tenants on this issue. The Marina committee will report more next month on this update.

**Director’s Report:**

E.D. Noel started off with the Asset Management Plan (AMP), stating that a rough draft has been sent out to the attorney and real estate consultant to get perspective on accuracy. He hopes to get it done and

distributed by next month's board meeting after discussing the plan during committee meetings in November. E.D. Noel continues the report by providing updates on airport projects:

- 1) LED taxi lights project has been completed
- 2) Lighting vault: Notice to proceed has been issued, currently in mobilization phase, hoping to have actual construction in the next 60 days
- 3) Runway 36L Rehab Project grant was approved
- 4) Update on Rio painting, hoping to start restoration of Rio within next 2 months
- 5) Part 139, charging ahead to get airport compliance
- 6) Will discuss old Mosquito Control Facility further since it's on the agenda
- 7) Waiting in airspace study for crack seal project
- 8) Waiting on city of New Orleans to get back on Cooperative Endeavor Agreement with NOFD
- 9) Capital Improvement Program is on the agenda so hoping to have board approve today
- 10) A/V equipment should be installed in next two weeks, hoping to get it done by next month so no more having to rent equipment for the monthly board meetings

E.D. Noel continued to discuss updates on other committees:

Finance Comm.– The finance committee was hoping to have an update on audit report from Carrs Riggs Ingram (CRI). E.D. Noel was also working on developing internal control policies with current day to day operations (banking, budgeting, purchasing).

Commercial Real Estate Comm. – There was no report because there was no CRE committee meeting.

E.D. Noel felt the marina committee report was adequately covered by Comm. Arrigo

#### **OLD BUSINESS:**

- a) None

#### **NEW BUSINESS:**

- a) **Resolution No. 10-102617 –Capital Improvement Program for Lakefront Airport for 2018-2023**

Chair Heaton further explained that this resolution is required to be submitted to state on an annual basis for any grant request. Chair Heaton stated that it's the authority's seventh year submitting a Capital Improvement Program for Lakefront Airport. E.D. Noel stated that the Lakefront Airport must update the Master Plan every 5 years to get FAA to fund maintenance projects and the authority is also looking for assistance from DOTD for upcoming fiscal year. E.D. Noel stated that this program is just a conceptual plan to get board's approval to get additional funding for projects like the large scale 36L rehabilitation project and the drainage rehabilitations.

On the motion of Comm. Fierke, seconded by Comm. Eames, the following resolution was offered:

**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**, New Orleans Lakefront Airport ("Airport") is one of the non-flood assets of the District under the management and control of the Authority;

**WHEREAS**, Title 2 of the Louisiana Revised Statutes of 1950 provides that cities, towns, parishes, and other political subdivisions of this State may separately or jointly acquire, establish, construct, expand, own, lease, control, equip, improve, maintain, operate, regulate, and police airports and landing fields for the use of aircraft; and,

**WHEREAS**, the State of Louisiana, Department of Transportation and Development, Division of Aviation (formerly the LA DOTD-OAPT) is charged by Title 2 of the Louisiana Revised Statutes with the responsibility for the development of aviation facilities within the State to foster air commerce and to

safeguard the interests of those engaged in all phases of the aviation industry and of the general public;

**WHEREAS**, the Non-Flood Protection Asset Management Authority, hereinafter referred to as “Sponsor”, has completed an FAA and DOTD approved Master Plan, Action Plan, and/or Airport Layout Plan which outlines the specific future development of New Orleans Lakefront Airport; and, the Sponsor is desirous of implementing a portion of the approved Plan recommendations which provide for the critically needed improvements as stated below to substantially improve the safety and usability of the Airport, but does not have sufficient funds of its own required for completing the needed improvements; and,

**WHEREAS**, the LA DOTD, Division of Aviation also is authorized by Title 2 to expend funds for the construction or enlargement of airports for the safety and advancement of aeronautics;

**NOW, THEREFORE, BE IT RESOLVED:**

SECTION I

That the Sponsor does hereby formally request that the LA DOTD, Division of Aviation and/or FAA provide funds required to complete the airport improvements at New Orleans Lakefront Airport specifically as described in the Capital Improvement Program Application for State Financial Assistance dated October 26, 2017.

SECTION II

That the said LA DOTD, Division of Aviation and FAA be and is hereby assured that all necessary servitudes, rights-of-way, rights of ingress and egress and means thereof will be furnished by the Sponsor and the titles thereto will be valid and indefeasible, and that the Sponsor will assume ownership, financial reporting, and complete responsibility for the maintenance and upkeep of the airport after completion of said improvement.

SECTION III

That the Sponsor will save and hold the said LA DOTD, Division of Aviation, its officers, agents, and employees harmless from any liability or claim for damages arising out of the project, including death or injuries to third parties including, but not limited to, liability or claim for damages out of the negligence of said LA DOTD, Division of Aviation, its officers, agents, or employees, and expressly agrees to defend any suit of any nature brought against the LA DOTD, Division of Aviation as a result of this project.

SECTION IV

That the Executive Director or the Chairman of the Sponsor be and is hereby authorized and directed to evidence this agreement by affixing her signature at the place provided therefore on this resolution and on subsequent related documents/agreements as required by the rules and regulations of the Federal Aviation Administration and the State of Louisiana and the Clerk is hereby authorized to attest said execution.

SECTION V

That this resolution shall be in full force and effect from and after its adoption.

The Non-Flood Protection Asset Management Authority Board as managing entity for the Orleans Levee District, New Orleans Lakefront Airport, for the Sponsor in the Parish of Orleans met in regular session on this date. The aforesaid resolution was offered by Chair Wilma Heaton and seconded by Commissioner Fierke.

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

YEAS: Chair Heaton, Vice Chair Green, Comm. Fierke, Comm. Richard, Comm. Settoon, Comm. Arrigo, Comm. Morvant, Comm. Eames

ABSTAIN: None

NAYS: Comm. Ernst

ABSENT: Comm. Wheaton, Comm. Meadowcroft, Comm. Bruno, Comm. Brien, Comm. Hebert, Comm. Major

**b) Resolution No. 02-102617 –Lease for 6601 Stars and Stripes Blvd. (formerly Mosquito Control Administrative and Warehouse Facilities)**

Chair Heaton discussed that this property has been overlooked for the past 12 years. The airport committee is looking for fair market value to put property back into land lease. She stated that the airport committee and staff are recommending board approval of this lease. The board members expressed

concern regarding reasons the lessor may be interested in leasing this property from the authority. E.D. Noel further explained that they plan to use it as office and warehouse space.

On the motion of Chair Heaton, seconded by Comm. Arrigo, the following resolution was offered:

**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 protection assets of the District under the management and control of the Management Authority (the “Airport”);

**WHEREAS**, the City of New Orleans, by and through the New Orleans Mosquito and Termite Control Board, in 1985 leased a portion of ground at the Airport, containing a total of 47,500 square feet, all as described on Drawing LD No. 2163 dated on February 9, 1967, and revised on June 29, 1979, where it constructed a warehouse and other facilities (the “warehouse”) used in connection with mosquito and pest control in the City of New Orleans (the “premises”);

**WHEREAS**, the City of New Orleans terminated the lease and has returned possession of the premises to the Management Authority;

**WHEREAS**, F&M Aviation, LLC has offered to lease the premises for a term of ten (10) years, with three (3) five (5) year options to renew, for a base annual rent of \$36,000.00, payable in monthly installments, with the base annual rent adjusted following the initial ten year term and every five years thereafter in accordance with the increase in the Consumer Price Index, and under the standard terms and conditions for leases at the Airport.

**WHEREAS**, F&M Aviation, LLC has also offered to lease the premises in “as is” condition and to make repairs and improvements to the buildings at its expense, subject to the approval of the Management Authority and further to maintain all Facilities, pavements, and other ancillary features at its expense throughout the duration of the lease and any options exercised;

**WHEREAS**, the Airport Committee of the Management Authority considered the proposed lease at its meeting held on October 17, 2017 and voted to recommend approval of the proposed lease with F&M Aviation, LLC under the terms set forth above and in accordance with the standard terms and conditions for leases at the Airport; and,

**WHEREAS**, the Management Authority after considering the proposed lease by F&M Aviation, LLC resolved that it is in the best interest of the Orleans Levee District to approve a lease with F & M Aviation under the terms and conditions set forth above.

**THEREFORE, BE IT HEREBY RESOLVED**, that the Non-Flood Protection Asset Management Authority approves a lease of the former Mosquito Control Warehouse at the New Orleans Lakefront Airport, with F&M Aviation, LLC, for a term of ten years, with three (3) five year options to renew, with a base annual rent of \$36,000.00, payable in monthly installments, with the base annual rent adjusted following the initial ten year term and every five years thereafter, in accordance with the increase in the Consumer Price Index, and under the standard terms and conditions for leases at the New Orleans Lakefront Airport and the terms and conditions set forth above.

**BE IT HEREBY FURTHER RESOLVED**, that the Management Authority Chairman or Executive Director be and is hereby authorized to sign a written lease with F&M Aviation, LLC, under the terms and conditions set forth above, and any and all documents necessary to accomplish the foregoing.

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

YEAS: Chair Heaton, Vice Chair Green, Comm. Fierke, Comm. Richard, Comm. Settoon, Comm. Arrigo, Comm. Morvant, Comm. Eames

ABSTAIN: None

NAYS: Comm. Ernst

ABSENT: Comm. Wheaton, Comm. Meadowcroft, Comm. Bruno, Comm. Brien, Comm. Hebert, Comm. Major

- c) **Resolution No. 03-102617 – Endorse endeavor of the Commemorative Air Force – Big Easy Wing to establish a chapter at the New Orleans Lakefront Airport and to authorize a cooperative endeavor agreement with CAF to help facilitate their efforts**

Commissioner Fierke stated the authority should show that they are 100% behind CAF and Big Easy. Lakefront Airport is in competition with Hammond Airport. One thing Air Force can do to help things such as air sea and land festival. Chair Heaton stated that this is a strong message that we are committed and this opportunity could be an amazing addition to the airport especially with WWII airplanes being operable. She recommended the board should be supportive in this cooperative endeavor agreement.

On the motion by Fierke, seconded by Heaton, the following resolution was offered:

**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 ("Management Authority");

**WHEREAS**, the New Orleans Lakefront Airport is one of the assets of the District under the management and control of the Authority ("Airport");

**WHEREAS**, the Commemorative Air Force ("CAF") is a Texas-based non-profit organization dedicated to preserving and showing historical aircraft at air shows throughout primarily the United States and Canada;

**WHEREAS**, the CAF in conjunction with the National World War II Museum in New Orleans has over the past few years held annual events at the Airport to honor veterans and commemorate the important role of military aviation in the Allied victory in World War II, which has included exhibits of iconic examples of World War II airplanes of the CAF;

**WHEREAS**, the Management Authority and CAF have developed a close working relationship as a result of the aforementioned events;

**WHEREAS**, the CAF has formed the Big Easy Wing with the intent to acquire and restore a commemorative aircraft in the New Orleans region;

**WHEREAS**, Article 7, Section 14(C) of the Louisiana Constitution of 1974 provides that the State and political subdivisions of the State may enter into cooperative endeavor agreements with each other, or with any public or private corporation or individuals to promote in support of economic growth and other public purposes ("CEA");

**WHEREAS**, the Management Authority wishes to support the CAF's restoration endeavor and other activities through the execution of a Cooperative Endeavor Agreement (CEA) between the parties for the use of a mutually suitable location at Lakefront Airport for the restoration and display of aircraft acquired by the CAF, providing assistance to the CAF with access to other Airport facilities, including the new Terminal Conference Center, for the promotion of the Airport and its facilities, and to set forth certain other matters in connection therewith;

**WHEREAS**, the Management Authority's Airport Committee met on October 17, 2017 and voted to recommend that the Management Authority enter into a CEA with CAP, as recommended by Airport staff, for the purposes set forth above;

**WHEREAS**, the term of the CEA will continue until terminated by either party upon thirty days' written notice;

**THEREFORE, BE IT HEREBY RESOLVED**, that the Non-Flood Protection Asset Management Authority approves a Cooperative Endeavor Agreement with the Commemorative Air Force, subject to the approval of the Management Authority's Airport Committee and Legal Counsel, for the use of a mutually suitable location at Lakefront Airport for the CAF's restoration and display of aircraft, for the promotion of the New Orleans Lakefront Airport through CAF events held at the facility, and to set forth certain other matters in connection therewith and under the terms and conditions hereinstated.

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

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

YEAS: Chair Heaton, Vice Chair Green, Comm. Fierke, Comm. Richard, Comm. Settoon, Comm. Arrigo, Comm. Morvant, Comm. Eames, Comm. Ernst

ABSTAIN: None

NAYS: None

ABSENT: Comm. Wheaton, Comm. Meadowcroft, Comm. Bruno, Comm. Brien, Comm. Hebert, Comm. Major

**d) Resolution No. 04-102617 –Amendment to the Lease Agreement with Oceana USA, LLC for construction and development of a commercial/residential complex**

Oceana USA, LLC is interested in developing a condominium site and asked for a Lease Amendment. Mr. Metzger, legal counsel, stated that the purpose of the lease being amended would be for the complex to be built with the lease's usual terms and conditions. There may be some negotiation dealing with the level of consent going from absolute to conditional but there will be same protections as other developments such as Brisbi's restaurant. Mr. Sackett, the lessee, expressed his reasons for investing in this property as high end pieces. He stated that he's hoping to help revert the Lakefront area back to what it used to be. Chair Heaton thanked Mr. Massicot and Mr. Sackett for having confidence in the Non-Flood Authority in aiding to help make this happen.

On the motion by Comm. Green, seconded by Comm. Eames, the following resolution was offered:

**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 Orleans Levee District, Division of Non-Flood Assets, entered into a written lease agreement with Oceana USA, LLC ("Oceana"), dated on August 11, 2009, under the terms of which Oceana leased certain premises located on the west side of the New Basin Canal in the City of New Orleans (the "leased premises" or "premises"), for a boat mooring area, for a term of ten (10) years ending on June 30, 2019, with four ten (10) year options to renew;

**WHEREAS**, the leased premises leased by Oceana is owned by the Orleans Levee District and is a non-flood protection asset of the District managed and controlled by the Management Authority, which is the successor of the former Board of Commissioners of the Orleans Levee District and Division of Administration of the State of Louisiana;

**WHEREAS**, Oceana requested an amendment of its Lease to permit it to develop a residential/commercial complex (the "Project") on the leased premises and also requested that the term of the Lease be extended to provide for a primary term of ten (10) years, commencing on the 1<sup>st</sup> day of July, 2009 and ending on the 30<sup>th</sup> day of June, 2019, with eight (8) – ten (10) year options to renew and one (1) additional nine (9) year option to renew;

**WHEREAS**, pursuant to the request of the Commercial Real Estate Committee, the Management Authority's Executive Director, Real Estate Consultant, and Counsel drafted a Term Sheet for the amendment of the Oceana Lease;

**WHEREAS**, the Commercial Real Estate Committee of the Management Authority considered the Term Sheet at its meeting held on August 22, 2017 and voted to recommend that the Management Authority approve the Term Sheet for an amendment of the Oceana Lease and authorize the Executive Director, Real Estate Consultant and Legal Counsel to negotiate an amendment of the Oceana Lease, in accordance with the terms and conditions set forth in the Term Sheet;

**WHEREAS**, at its monthly meeting held on August 24, 2017, the Management Authority approved the Term Sheet and authorized the Executive Director, Real Estate Consultant and Legal Counsel of the Management Authority to negotiate an amendment of the Oceana Lease, in accordance with the terms and conditions set forth in the Term Sheet;

**WHEREAS**, the Executive Director, Real Estate Consultant and Legal Counsel of the Management Authority negotiated with representatives of Oceana a First Amendment to the Lease with Oceana, a copy of which is attached to this Resolution; and,

**WHEREAS**, the Management Authority after considering the First Amendment to the Lease with Oceana resolved that it was in the best interest of the Orleans Levee District to approve the First Amendment of the Oceana Lease, a copy of which is attached to this Resolution.

**THEREFORE, BE IT HEREBY RESOLVED** that the Non-Flood Protection Management Authority approves the First Amendment to Lease with Oceana USA, LLC, a copy of which is attached to this Resolution.

**BE IT FURTHER HEREBY RESOLVED** that the Chairman or Executive Director of the Management Authority be and is authorized to sign the First Amendment to Lease with Oceana USA, LLC, and 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: Chair Heaton, Vice Chair Green, Comm. Fierke, Comm. Richard, Comm. Settoon, Comm. Arrigo, Comm. Morvant, Comm. Eames, Comm. Ernst

ABSTAIN: None

NAYS: None

ABSENT: Comm. Wheaton, Comm. Meadowcroft, Comm. Bruno, Comm. Brien, Comm. Hebert, Comm. Major

Chair Heaton announced that the next regular monthly Board meeting will be held on Thursday, November 30, 2017 at the Lakefront Airport Terminal Building.

There was no further business; therefore, the meeting was adjourned at 6:15 p.m.