

New Orleans Municipal Yacht Harbor Management Corporation

MINUTES OF THE BOARD OF DIRECTORS MEETING

July 18, 2017

6:30 p.m.

Lake Vista Community Center, 6500 Spanish Fort Blvd, New Orleans, Louisiana

The meeting was called to order at 6:30pm and requested a roll call by Reginald Smith.

Board of Directors Present:

Ashlyn Graves
David Halpern
Connie Uddo
Howard Rodgers
Thomas Forbes
Reginald Smith

Board of Directors Absent:

Warner Tureaud
Douglass Lightfoot
Alva See

A quorum was present.

There were no amendments to the agenda.

The agenda was approved and adopted on a motion by Ric Smith, seconded by Howard Rodgers and the motion was unanimously carried.

On a motion by Howard Rodgers, seconded by Connie Uddo, and unanimously carried, the minutes from the regular meeting of June 13, 2017 were approved.

Action Items:

1. Mr. Casey said that the award to JPMorgan Chase Bank for banking and credit card processing services has been accepted by the Bureau of Purchasing. MYHMC has gone through the process between the City and Chase Bank's legal department where there were changes to the contract to be executed by the Mayor on MYHMC's behalf. The Finance and Law Departments recommended adding MYHMC on as another entity to the City's agreement with Chase Bank which is the primary bank that the City has been dealing with for a number of years. Mr. Casey has had several conversations with Jules Nunn who is the Treasury Chief for the Finance Department who also served on the selection committee that choose Chase Bank and he also recommended adding MYHMC on to the City's existing agreement with Chase Bank. An opinion was received from Julien Meyer in the Law Department that no other approvals are required. With these approvals, MYHMC should be able to transfer its funds from Capital One Bank to Chase Bank with a new collateralization agreement by the end of July.

Ms. Graves asked if there were any comments or questions from the Board. Mr. Smith said he would like to call everyone's attention to the fact that MYHMC started on this track over a year ago on June 7, 2016 and spent a year dealing with big banks and the City and ended up where it could have been a year ago. The good news is that MYHMC will still end up with banking and credit card services that were detailed in the original RFP.

On a motion by Ric Smith, seconded by Howard Rodgers, and unanimously carried, the resolution "Authorizing Banking and Credit Card Processing Services with JPMorgan Chase Bank, N.A." was approved.

Information and Discussion Items:

1. Boathouse Leases and Supplemental Lease Agreements were discussed by Mr. Casey. The extended leases for boathouses 18, 78, and 115 have been executed by the Mayor, and they have been recorded. The extended leases for boathouse #130 are in the process of being reviewed by the Law Department. Ms. Graves will report on boathouse sales activity during the month of June. For the month of June there was one boathouse sale (BH 117) and MYHMC recognized a transfer fee in the amount of \$8,580.
2. The FEMA Update was presented by Mr. Casey. The bid documents for the harbor reconstruction were posted on the City's Purchasing Portal on June 16th and they were posted on MYHMC's website on June 21st. On July 12th, a non-mandatory pre-bid conference was conducted by the Bureau of Purchasing. Six (6) prime contractors and six (6) subcontractors including Bellingham Marine attended the conference. A mandatory pre-bid conference will be held on Wednesday, August 23rd at 2:00PM. Bids are to be submitted on Tuesday, September 12th.

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3. The June Financial Report was presented by Mr. Smith. As of June 30th, MYHMC has total assets of \$3,461,000 with current assets of \$3,452,000 and the bulk of which is in the form of cash of \$3,296,000 in three accounts at Capital One Bank. On the liability side, MYHMC has total liabilities of \$942,000 of which \$437,000 is current liabilities, and the bulk of that is accrued interest on the NOAA Bonds that are still in deferral. The long term liability of \$505,000 is the balance on the NOAA Bonds. That leaves MYHMC with a fund balance of \$2,519,000 of which \$1,444,000 is unrestricted net assets. For the month of June, total income was \$75,000 which included \$15,000 of lease extension fees which is an unusually high amount. Operating expenses were \$64,000 and net ordinary income was \$11,000. Net other expense was \$3,000 which is the monthly accrual on the bonds which resulted in net income of \$7,000 for the month. For the year-to-date, gross income was \$362,000 (which includes \$15,000 from the boathouse lease extension fees) with operating expenses of \$362,000 which left MYHMC at break even on an operating basis. Net other expense which is the interest accrual was (\$20,000) such that it results in a net loss (\$21,000).
4. The Economic Redevelopment Committee Report was presented by Mr. Rodgers. The final West End Redevelopment Report has been received by the staff of the Regional Planning Commission (RPC). The report is in the process of being reviewed by the RPC staff.
5. Executive Director's Report was presented by Mr. Casey. There were six topics:
 - 1.) The status conference that was scheduled with the Judge for Thursday, June 22nd was postponed due to Tropical Storm Cindy, and it is in the process of being rescheduled ;
 - 2.) The public notice (as required by LA R.S. 34:843), concerning abandoned vessels in the Municipal Yacht Harbor was published on June 28th;
 - 3.) A follow up email was sent to Mr. Monsour concerning the removal of his house boat from the harbor, and the Law Department will be contacted;
 - 4.) The Department of Sanitation has cleaned up the driving surface of Breakwater Drive from the debris deposited by Tropical Storm Cindy;
 - 5.) The Department of Public Works has installed four (4) 25 mph speed limit signs on Breakwater Drive ;
 - and
 - 6.) Mary Cunningham with Councilmember Guidry's office has sent emails to NOPD, The Lakeview crime prevention district, NOFD, and the Orleans Levee Board Police concerning speeding and other activity taking place on Breakwater Drive. She has asked the police entities to perform additional patrols of the area, and she has made Fire Chief McConnell aware of the dumpster fires at the point.

Other Comments and Issues from the Board and the Public:

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Howard Rodgers asked about the status of the removal of the house boat from the Harbor. Mr. Casey said there are some legal issues that MYHMC will be addressing with the Law Department and the lessee of Boathouses #1 and #2 who is also concerned about the vessel being moored on his leased area. Although MYHMC manages the Harbor for the City, the lessee has to file a trespassing charge with NOPD. Ric Smith asked if there is promise that Mr. Monsour will remove the boat. Mr. Casey said that he had promised numerous times to remove his boat and he had informed MYHMC that the boat had been sold and that it was going to be moved by a certain date prior to Tropical Storm Cindy. A response has not been received from the latest email that was sent to Mr. Monsour. Someone asked if there was any damage to the boathouses from the storm. Mr. Casey said that was no damage from Tropical Storm Cindy to any of the boathouses. Someone also asked if Mr. Monsour was still living on the boat. Mr. Casey said that he doesn't know. It was suggested to call Dwight LeBlanc (who is an attorney and a boathouse lessee) relative to the process of removing the house boat in the harbor. Mr. Forbes commented that the house boat is not moored in a designated slip since it is tied to BH #3 and it acts like a large "sail area" when the wind blows against it and it might be considered a hazard to navigation. Mr. Casey mentioned that since the boat is in the Harbor, neither Wildlife and Fisheries nor the Coast Guard considers it to be a navigation hazard. Mr. Smith asked if someone dropped anchor in the Harbor what law applies to removing that vessel. Mr. Casey said MYHMC should be able to enforce the trespassing ordinance.

Mr. Smith suggested that an executive session be scheduled on the August Meeting Agenda with respect to the foreclosure of Boathouse #127

Kerry Cuccia offered comments with respect to Breakwater Drive. He said that the speeding has started to get worse again but there is an increased police presence. He had a question about landscaping and if the contractor will be removing the miscellaneous trees along the lakefront and Breakwater Drive. Mr. Casey said that they are going to use a bobcat in order to pull out the root structure so that they will not grow back. It is anticipated that they will be caught up in the next several weeks after the rain that we have had.

Someone asked if the boat trailers will always be parked in the North parking lot. Mr. Casey said no, and that Mr. Cuccia had sent out an email about a month and a half ago to the boathouse owners telling them that by August 1st they need to find another home for their trailers since the lot will be used as a construction staging area for the Harbor renovation. This time frame was based on the anticipated start of demolition/construction of the Harbor in the August/September time period.

Mr. Cuccia asked about the current time table for the start of construction. Mr. Casey said that bids are scheduled to be submitted on September 12th. Once that the Capital Projects Administration (CPA) receives the bids and the City goes through the contract process, the contractor and CPA will develop a detailed construction schedule and CPA will have a much better idea as to the construction start date. Mr. Casey said that hopefully CPA will be able to issue a notice-to-proceed to the contractor prior to the end of October. Mr. Cuccia asked the Board if he could send out another email to the boathouse owners letting them know that the start of construction has been delayed and that they will have more

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time to remove their trailers. The Board was in agreement and Mr. Casey will coordinate the timing with Mr. Cuccia. Mr. Smith said that after all the construction is completed, the area will be cleaned up and all of the boat trailers need to be relocated elsewhere. Mr. Casey said that MYHMC has installed "No Trailer Parking Signs" in the West End Area so that the Department of Public Works (DPW) will be able to issue notices on illegally parked trailers.

Thomas Forbes asked about the status of the approval of the boat launch plans. Mr. Casey said the final plans were submitted to the Department of Wildlife and Fisheries and Facilities, Planning, and Control (FP&C) in Baton Rouge in June and they are currently under review. In addition to Wildlife and Fisheries, FP&C which is under the Division of Administration must approve the construction documents prior to bidding since a Federal Grant is involved in the project.

Adjournment:

On a motion by Thomas Forbes and seconded by Howard Rodgers, the meeting was adjourned at approximately 7:05pm.

Date and Time of next meeting:

The next meeting is scheduled for Tuesday, August 8, 2017 at 6:30 p.m. at the Lake Vista Community Center.