

New Orleans Municipal Yacht Harbor Management Corporation

MINUTES OF THE BOARD OF DIRECTORS MEETING

June 7, 2016

6:30 p.m.

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

The meeting was called to order at 6:40pm and requested a roll call by Ashlyn Graves.

Board of Directors Present:

Ashlyn Graves
Alva See
Reginald Smith
Warner Tureaud
Thomas Forbes
Howard Rodgers

Board of Directors Absent:

David Halpern
Connie Uddo
Shannon Sims

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 Ashlyn Graves, seconded by Ric Smith, and unanimously carried, the minutes from the regular meeting of May 10, 2016 were approved.

Action Items:

1. Mr. Smith notified Mr. Casey, the staff, and Mr. Tureaud that he had reviewed the 2015 Audit and he was in agreement with its findings, but he would entertain any questions regarding the contents and opinions contained within the Audit which fairly represent what is presented to the Board each month with respect MYHMC's financial position. There were no questions or comments from the Board.

On a motion by Thomas Forbes, seconded by Howard Rodgers and unanimously carried, the Resolution "Authorizing the Acceptance of the 2015 Audit" was approved.

2. Mr. Casey said that he and Mr. Bloom have had several discussions with Mr. Smith relative to MYHMC's current banking agreement with Capital One Bank. The agreement is now at the five year mark, and it is time to go out on the new RFP for Banking Services. Also, the issue has been discussed with Capital One relative to the securities backing up and collateralization of the deposits in the various accounts and MYHMC's desire that they remain Federal Securities as opposed to corporate bonds. Mr. Smith said the bank would prefer to utilize collateral other than Federal Securities so that they can earn a greater return on their portfolio of pledged securities, but MYHMC needs to keep its funds as secure as possible. Mr. Casey said that the RFP will be distributed this week for the Board's review so that it can then be forwarded to the Bureau of Purchasing. There were no further questions or comments.

On a motion by Howard Rodgers, seconded by Thomas Forbes and unanimously carried, the resolution "Authorizing the Preparation and Issuance of a Request for Proposals (RFP) for Commercial Banking and Credit Card Processing Services" was approved.

Information and Discussion Items:

1. Boathouse Leases and Supplemental Lease Agreements were discussed by Mr. Casey. Boathouse # 130 on North Roadway Drive is in the process of being transferred from the Estate of T. G. Solomon to his heirs. This lease expires at the end of 2019 and it is anticipated that it will be extended until 2068. Mr. Tureaud asked how many lessees have not exercised their option to extend their lease through 2068. Mr. Casey said that there are a total of about a dozen (12) lessees that have not obtained the extended lease. There are three (3) that expire in 2019 that have been approved by the City Council to be extended to 2030 and then subsequently to be able to be extended to 2068. Approximately nine (9) leases expire in 2030 one of which is Boathouse #19 that Ms. Bankston is in the process

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going through the approval process with Safety and Permits to correct a violation. Mr. Tureaud asked the staff if they feel that the remaining leases will be taken of over time as the lessees want to sell the leasehold improvements. Mr. Casey said that there are several lessees that originally did not want the 2068 lease who had to obtain it in order to sell their leasehold improvements. It is MYHMC's goal that ultimately all lessees will obtain the 2068 extended lease. At this time Ms. Graves will give an update of the boathouse transfers that occurred in May. There were three boathouse transfers in the month of May which included boathouse #s 112, 125, and 126 for a total of \$24,990.00 in transfer fees paid to MYHMC.

2. The FEMA Update was presented by Mr. Smith. It was reported several months ago that the City had issued an RFQ, to which seven firms responded seeking to become the engineering firm of record to design the Harbor improvements. The City Bureau of Purchasing went through a selection process to request three (3) firms to submit proposals in response to a formal RFP. The two firms that submitted proposals on May 13th were Moffat & Nichols and Linfield, Hunter, and Junius both of whom had excellent qualifications and proposals. The City's Selection Committee met last Thursday, June 2nd and selected Moffat & Nichol to be the design engineering firm of record for the new Harbor. The City is in the process of issuing a professional services contract to them. The Capital Projects Administration (CPA) is in the process of scheduling meetings with Moffat & Nichol for them to prepare some conceptual designs since CPA must deliver a conceptual design to FEMA by July 15th. Real progress is being made, and the selection of the engineering firm that will design the Harbor and provide the construction documents for the bidding process is the first major step. Once that the contract is executed, the engineer will provide a timeline to CPA and MYHMC. Someone asked if the design will include floating piers. Mr. Smith said yes that the improvements will be designed as a floating marina. Mr. Tureaud said he would like to thank the stakeholders because it has taken a long time to get to this point, and hopefully the end result will be a brand new "state-of-the-art" floating marina. Someone asked what is the final dollar valuation of the FEMA Claim? Mr. Tureaud said that a final valuation has not been received by the City from FEMA. Once that FEMA resolves the Claim, some expenditures associated with the Claim will be reimbursed to the City, and the Mayor's Office will make a formal announcement.
3. The May Financial Report was presented by Mr. Smith. MYHMC has total assets of \$3,486,000 of which \$3,475,000 are current assets which are primarily held in cash. On the liability side, MYHMC has long-term liabilities of \$505,000 and current liabilities of \$442,000. The bulk of that being \$229,000 of accrued interest on the NOAA bonds payable which are still in deferment, and \$93,000 of deferred revenue which is how MYHMC recognizes the payment in advance for leases which income is accrued each month. That gives MYHMC total liabilities of \$947,000, and a total fund balance of \$2,539,000 of which unrestricted net assets is

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\$1,422,000. For the month of May, total income was \$78,400 with ordinary expenses of \$59,800 yielding net operating income of \$18,600 along with an additional (\$3,200) in net other income Total income for May was \$15,400. For the year-to-date through the end of May, total revenues were \$318,400 and ordinary expenses were \$281,000 which amounts to net ordinary income of \$37,000. Net other income was an expense of (\$16,000) such that the total net income was \$21,000 for the year-to-date.

4. The Economic Redevelopment Committee Report was presented by Mr. Rodgers. Mr. Casey spoke with the Orleans Levee District with respect to the new pump station site. MYHMC anticipates some information in the next several weeks with respect to the net usable area available for the redevelopment of the restaurant parking lot site. Once the area is determined, MYHMC will have to work with the City's Law Department with respect to ownership issues. When MYHMC ultimately gets a survey of the site, an electronic copy will be required to be provided by the surveyor. Mr. Rodgers asked about the status of the West End Master Plan process. Mr. Casey said that he had a discussion with Walter Brooks with the Regional Planning Commission who thought that they might have some funds available in their next budget year which starts in July to assist MYHMC with the completion of the Master Plan process. Mr. Casey said the Master Plan work that has been done to date was through a grant that Regional Planning obtained, and that it was not done by the City and that no City funds were utilized. Mr. Tureaud said that we will continue to work with Regional Planning Commission and other avenues outside of the City. MYHMC started the Master Planning process on our own with the assistance of Regional Planning and then we will integrate the Plan with the City's overall Master Plan. Mr. Casey said that hopefully MYHMC will have more information at the July Board Meeting with respect to the status of RPC's funding.
5. Mr. Casey presented the Executive Director's Report. There were four topics: 1.) The Orleans Levee District (OLD) installed the check valve in the drain basin adjacent to West Roadway last week. OLD is finalizing the sump pump and force main design; 2.) The Coastal Conservation Association (CCA) and the Louisiana Department of Wildlife and Fisheries installed the first phase of the West End reef project on May 31st; 3.) The specifications for the Boat Launch Repair Project have been completed by All South Consulting Engineers and they are currently being reviewed; and 4.) The 2017-2021 Capital Budget has been submitted to Capital Projects Administration for their review.

Other Comments and Issues from the Public:

Mr. Tureaud asked where the first phase of the reef was going to be located. Ric Smith said that it's about 200 yards directly north of where the fishing pier will be built. Wildlife and Fisheries did not want to come in any closer with the first phase because they would interfere with the construction of the pier. They plan to install the second phase of the reef closer to the pier once it is constructed such that fishermen on the pier will get the additional benefit of more activity. Mr. Tureaud said that MYHMC could have replaced the fishing pier where it had been, but the Board took a lot of heat for moving it to the new location due to the fact that it took additional time, study, and permits. All of the research showed that the best fishing was north-south, not east-west and that the construction of the new massive pumping station would have had a negative impact on the old location.

Kerry Cuccia said the markers that they laid when they dropped the material, dragged over the weekend. Some of the markers are to the East of his boathouse. Whoever is in charge of placing the markers should be notified. Mr. Casey said Louisiana Wildlife and Fisheries is responsible for the markers and they will be notified. Mr. Cuccia also said that it has been a long process and the right thing to relocate the pier. He added that before the fishing pier is constructed, some thought should be given to what the function of the fishing pier is going to be, the hours of operation, and type of lighting due to the fact that those types of things are going to affect the activity on Breakwater Drive. The fishing pier is going to stick right out in the lake and may be in the way of some people. He also mentioned regular maintenance and cleaning of the pier. In advance of construction of the pier, some thought should be given to what is going to be done to make it function in the way that it should. Mr. Tureaud said that he agrees with Mr. Cuccia 100% and said regarding the lighting MYHMC will form a Committee with representation from the boathouse community and the fishermen in the area. It would be a great idea, especially since a lot of work has gone into and getting the fishing pier rebuilt and everyone wants it to be a great asset for the West End Area.

Mr. Stanton Murray had a comment that low level reefs are not marked well. Another question was asked if other reefs are marked because there is a nine foot depth on top of the reef. Mr. Tureaud said that he doesn't think they are marked at all. Mr. Casey said Wildlife and Fisheries was going to add the reef to navigation maps. Those may be temporary marks when they were placing material because it has sufficient depth over the area where the material was spread in terms of clearance of the boats that would navigate Lake Pontchartrain in that area.

Someone from the audience asked about when the Boat Launch Repair will start and be completed. Mr. Casey said the engineering plans and specification have to get approved by Wildlife and Fisheries (WLF) since they are providing a 75% grant and MYHMC provides a 25% match. The plans and specifications are in the process of being sent to WLF for their approval prior to bidding of the project. MYHMC's target

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date is to have the construction of the improvements completed by the spring of 2017. In addition to the three wooden piers that are being rebuilt, there is underwater work associated with the back down ramps that has to be done. The engineers have designed concrete panels to be cast and set in place to replace some of the mats. The person also asked if it will include the fishing pier. Mr. Casey said the fishing pier is a separate project that is being paid for as a FEMA claim. The target date that Capital Projects has will be closer to the end of 2017 for the fishing pier. Although they are adjacent to each other, they are being funded by separately.

Adjournment:

On a motion by Howard Rodgers and seconded by Thomas Forbes, the meeting was adjourned at approximately 7:20pm.

Date and Time of next meeting:

The next meeting is scheduled for Tuesday, July 19, 2016 at 6:30 p.m. at the Lake Vista Community Center.