

New Orleans Municipal Yacht Harbor Management Corporation

MINUTES OF THE BOARD OF DIRECTORS MEETING

May 10, 2016

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 David Halpern.

Board of Directors Present:

Ashlyn Graves
Warner Tureaud
David Halpern
Thomas Forbes
Connie Uddo

Board of Directors Absent:

Reginald Smith
Howard Rodgers
Shannon Sims
Alva See

A quorum was present.

There were no amendments to the agenda.

The agenda was approved and adopted on a motion by Ashlyn Graves, seconded by Thomas Forbes and the motion was unanimously carried.

On a motion by Thomas Forbes, seconded by Ashlyn Graves, and unanimously carried, the minutes from the regular meeting of April 19, 2016 were approved.

Action Items:

Mr. Casey distributed a packet to the Board concerning modifications to the Boathouse Transfer Checklist (Checklist). At the April Board Meeting, several boathouse Lessees expressed their concerns about the condition of boathouse sewer lines and sewer connections, and the ability of MYHMC to require Lessees to inspect and to repair their lines and connections. As per the Lease, Lessees are responsible for the maintenance of their leasehold improvements. The current Checklist does not specifically require that the plumbing be inspected prior to the transfer of the Lease. The Lease does not require that changes to the Checklist must be discussed at a meeting and approved at a future meeting. Whereas, proposed changes to other items such as Boathouse Rules and Regulations or Maintenance Standards addressed in the lease are required be discussed at one meeting then posted 14 days in advance of a subsequent meeting thereby giving Boathouse Lessees proper notice prior to the Board voting on proposed revisions. The Checklist is not addressed in the Lease such that proposed changes are not required to follow a similar process. The proposed revisions to Section 6 of the Checklist are noted in bold print. Mr. Bloom recommends adding items 7 and 8 to the Checklist. Item 7 calls for a copy of the closing statement to be provided to MYHMC, and item 8 requires that Assignees of the Lease execute the Acknowledgement of Design Criteria, Maintenance Standards, Compliance Procedures, Boathouse Rules and Regulations, and Harbor Rules and Regulations. Verbiage has also been included that allows MYHMC in its sole discretion to waive items a, b, and c (the engineering report, dimensional drawing of the floor plan, underwater piling survey, and requirement to get a sewer inspection) if these items have been provided within eighteen (18) months. Mr. Casey spoke with Mr. Cuccia

about this proposed change and he thought that it was a good idea to add an inspection of the sewer system at the time of the boathouse transfer. Mr. Tureaud said that he agrees that the 18 months is reasonable.

On a motion by David Halpern, seconded by Ashlyn Graves and unanimously carried, the resolution adopting the Boathouse Transfer Checklist revised May 10, 2016 was approved.

Information and Discussion Items:

1. Ms. Valerie Lowery and Mr. Kerney Craft of Wegmann Dazet & Co. presented the 2015 Financial Audit. As per Ms. Lowery, Wegmann Dazet has given an unmodified opinion concerning the financial position of MYHMC. There were no findings and no deficiencies in MYHMC's financial statements and practices. Ms. Lowery distributed copies of the Audit Report to the MYHMC Board. Mr. Casey said that Mr. Smith had received a draft copy, and he reviewed it with Mr. Casey and Mr. Bloom. Mr. Smith was satisfied with everything in the Audit Report, and Mr. Tureaud thanked Ms. Lowery and Mr. Craft for their presentation.
2. Boathouse Leases and Supplemental Lease Agreements were discussed by Mr. Casey. Susan Bankston, who is the owner of Boathouse #18, is in the process of correcting the violation that she received from Safety and Permits several years ago. Once this item is corrected, she will be eligible for the extended lease. Boathouse #78 Estate of Ronnie Wriborg was sold at the sheriff's sale on Thursday, April 21st. MYHMC is owed \$8,630 in back rent and fees that must be paid to MYHMC in order for the lease to be transferred to the new buyer. At this time Ms. Graves will give an update of the boathouse transfers that have occurred in April and so far in May. There were three boathouse transfers in the month of April for a total of \$26,451. For the month of May there is a transfer of Boathouse #112 for a transfer fee of \$10,740.
3. The FEMA Update was presented by Mr. Tureaud. As per Miguel Viteri with Capital Projects (CPA), responses to the Engineering Services RFP for the design of the harbor are due this Friday, May 13, 2016 by the Purchasing Department. Originally, seven (7) firms responded to the RFQ and three (3) firms were selected by the Purchasing Selection Committee to receive the RFP. CPA received approval from FEMA to go through the RFQ/RFP process to select a design engineer for the Harbor improvements while FEMA is reviewing Moffatt Nichols Marina Feasibility Report which CPA had previously submitted. Ms. Graves asked if the three firms that were short listed would be responding the RFP. Mr. Casey said that CPA will find out on Friday. Once that the responses to the RFP are

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submitted, the Purchasing Department will go through the process to select the Committee that will review the RFPs that are received.

4. The April Financial Report was presented by Mr. Casey. MYHMC has total assets at the end of April of \$3.52 million dollars of which \$3.51 million are current and the bulk of that is \$3.45 million in the form of cash at Capital One Bank. On the liability side, MYHMC has a total of \$998,836 of which \$505,000 are long-term which are NOAA Revenue Bonds that are in deferment. Current liabilities total \$493,702 with the major items being accrued interest of \$226,000 on the bonds and unearned revenue of \$145,000. That leaves MYHMC with unrestricted net assets of \$1,422,000. For the Month of April, total income was \$80,059 with ordinary expenses of \$55,823 yielding net operating income of \$24,236 along with an additional (\$3,065) in net other income. The total income for April was \$21,170. For the year-to-date through the end of April, total revenues were \$240,060 and ordinary expenses were \$221,456 which amounts to net income of \$18,600. Net other income amounted to (\$12,780) such that the total net income was \$5,823 for the year-to-date.
5. Economic Redevelopment Committee Report was presented by Mr. Tureaud. MYHMC is still in the information gathering stage with respect to the restaurant parking lot.
6. Discussion with respect to the Proposed Revision to the Existing Boathouse Maintenance Standards Requiring Plumbing Inspections was presented by Mr. Casey. Mr. Casey distributed a packet to the Board which included a proposed revision to the Boathouse Maintenance Standards adding Section MS-8 titled Plumbing. The wording in bold type contains the proposed addition to the existing Standards. The Board reviewed the proposed revision, and Mr. Casey mentioned that this was a draft in order to start a discussion with respect to the need for Lessees to have their sewer lines and connections inspected on a regular basis. He has had a conversation with Mr. Cuccia who would like to have a further discussion concerning the proposed revision with the Board as well as with the Boathouse Owners Association. Mr. Casey recently attended a meeting with the Sewage and Water Board, the Levee Board, and the Non-Flood Asset Authority with respect to the Dip on West Roadway along with some sewer issues in the West End area. He mentioned to the group the proposed change to the Boathouse Transfer Checklist requiring an inspection at the time that the Lease is transferred. Mr. Casey also mentioned that the MYHMC Board will be discussing the need to have Boathouse Lessees inspect their sewer systems on a regular basis. These items were viewed positively by the Sewerage and Water Board in an attempt by MYHMC to solve what is viewed as a potential problem in the West End Area.
7. Mr. Casey presented the Executive Director's Report. There were three topics:
 - 1.) The boat launch repair plans were delivered Friday for MYHMC's review. The specification book is still in process by All South Consulting Engineers;
 - 2.) Thomas Tubre will be making some improvements to the emergency rockered access road from West Roadway; and
 - 3.) Zach Butterworth with the Mayor's Office

coordinated a meeting yesterday with the Sewage and Water Board, the Orleans Levee District, the Non-Flood Asset Protection Authority, the Southeast LA. Flood Protection Authority East, and MYHMC. The Orleans Levee District Engineering Department is designing an inline check valve that will be installed in the 12^o drainage discharge pipe from the ^oDip^o to the back harbor. They are also designing a drainage vault with a 4^o sump pump and a force main that will discharge to the rear harbor. The Non-Flood Asset Authority is working to obtain a right of way in the vicinity of Boathouse W14 which has been repossessed by the Whitney Bank. Once the force main route is approved, it will take at least 1 month to install the sump pump and the discharge line. The Orleans Levee District has entered into a contract with Burke Kleinpeter to design the plans to elevate West Roadway, and they anticipate that construction of the Roadway improvements could possibly start prior to the completion of the 17th St. Canal pumping station in November of 2017. With Respect to the sewer issue that was discovered when Thomas Tubre pumped the water down on West Roadway, Mr. Joe Becker (General Superintendent of the Sewage and Water Board) explained that there is an 8^o sewer main under the center of West Roadway that is more than adequate to serve the West End area. He contends that during high tide occurrences, lake water enters Sewage and Water Board^os sewer system through broken lines or disconnected sewer connections at boathouses and businesses in the West End area, which causes their lift station in West Lakeview to run 24 hours a day versus 12 hours a day. As per Mr. Becker, Sewage and Water Board would like to see MYHMC and the Non-Flood Asset Authority to take a proactive position with their tenants to correct the problem to reduce the lake water infiltration into their system. He has offered their assistance by smoke testing the area to determine if there are any broken sewer lines under boathouses or businesses. Sewage and Water Board has the legal authority to pull a water meter if they notify someone of a sewer problem and the problem is not corrected. Mr. Becker will also have his sewer department inspect Sewage and Water Board^os collection system including their manholes located within the streets.

Other Comments and Issues from the Public:

There was a question about the dip, drainage, and the installation of a sump pump by Mr. Stanton Murray. Mr. Casey said that the Orleans Levee District (OLD) is going to install a new flap gate in the drainage outfall line to the back harbor. The Levee District and Non-Flood Assets had hired a diver to attempt to find the old flap gate that existed on the drain line prior to Hurricane Katrina, and they also cleaned out the drainage outfall line. OLD is going to put a new flap gate in the drain basin that is on the road that is parallel to West Roadway that drains out to the back harbor. A flap gate has been ordered that will be installed in the drainage basin which will keep the lake water from flowing back in and flooding the street when there is a high tide. OLD is also going to install a drainage vault and put an electric sump pump in it. The sump pump will be designed to pump the water out of the dip when there is a heavy rainfall and the flap gate is closed as a result of a high

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tide. According to OLDØ engineers, the road is only slightly above a +1Ø elevation, and the Lake elevation is determined by the NOAA reporting station (New Canal Station) which is located adjacent to the old lighthouse. OLDØ long term plan includes the raising of West Roadway. The Orleans Levee District and Non-Flood Asset Authority have been responsive to this situation. Mr. Tureaud said that hopefully the sump pump will have enough capacity to keep the road drier until it can be elevated.

Adjournment:

On a motion by David Halpern and seconded by Connie Uddo, the meeting was adjourned at approximately 7:10pm.

Date and Time of next meeting:

The next meeting is scheduled for Tuesday, June 7, 2016 at 6:30 p.m. at the Lake Vista Community Center.