

*New Orleans Municipal Yacht Harbor Management Corporation*

**MINUTES OF THE BOARD OF DIRECTORS MEETING**

**August 14, 2018**

**6:30 p.m.**

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

The meeting was called to order at 6:35pm and requested a roll call by David Halpern.

**Board of Directors Present:**

Ashlyn Graves  
Alva See  
Connie Uddo  
David Halpern  
Thomas Forbes  
Reginald Smith  
Howard Rodgers  
Warner Tureaud

**Board of Directors Absent:**

None

**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 Connie Uddo and the motion was unanimously carried.

On a motion by David Halpern, seconded by Connie Uddo, and unanimously carried, the minutes from the regular meeting of July 10, 2018 were approved.

**Action Items:**

1. Mr. Tureaud asked the Board members if they had a chance to look over the Resolution. Mr. Casey said that the Board has had some discussions previously about updating the website, which we are in the process of doing, and will talk a little more about this later on. This is one of the main items on the website that has been on there for several years relative to getting on the waiting list for the west side of the Harbor. Basically we haven't had people leave the harbor for the most part. We have had people on the waiting list for quite a number of years. He and Wayne Bloom talked about it today, and it is something in the neighborhood of 40 to 50 people who have been on the list. We have been able to take a few people off the list over time. Mr. Tureaud asked if we have a breakdown as to the size and number of the vessels (like if it is a 20 foot vessel waiting on a 25 foot slip, or a 40 foot vessel waiting on a 40 foot slip? Do we have those numbers on the waiting list? Mr. Casey said that we have information that they provide to us, like length overall.

Mr. Tureaud said for the next board meeting, he would like a breakdown of the total slips with alt 1 and alt 2, and without alt 1 and alt 2 ( how many 50ø, 60ø, 70ø, 20ø, and 30ø) and then compare that with the waiting list, so we'll know what our numbers will look like. If it pleases you, you can do either one, so that we know how many slips in the end game and how many seekers we have. If a person says they have a 40 foot boat, and you have forty 40øslips, and you have twenty of them occupied on the west side right now, and you have a hundred people looking for them that will give us some idea of what the market is going to look like, and you can talk to people about that, and I can talk to people when they ask me. I'm getting asked now "How many thirty foot slips do you have? How many people do you have occupying thirty foot slips? How many people do you have on the waiting list for a thirty foot slip?" Of course I am going to direct them to you. Mr. Casey said it's a good idea. He had conversations with Miguel Viteri from Capital Projects about what we are going to end up with in terms of total slips. That number has not been finalized because from the standpoint of the project, Capital Projects had to hold back about \$2 million in its contingency until they got further along in the project to see how many more catwalks can be put in, and how many individual slips will be created versus how many areas might be side tied areas. We are going to have a combination of predominately slips but we are going to have some areas that are going to be side tied. We need to raise the funds to get their fingers installed, but in a floating dock facility whether you are in a slip with a finger pier or a side tie it's really a moot point, because you can latch on to the structure. Mr. Tureaud said to Wayne Bloom that we don't need it now but maybe sometime before next month. It will be good to know. I know whether you and Ashlyn worked it out whether or not you want to post it on the website. I am not advocating for or against. The more information

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you give people is the better informed they will be. When we do get the website up and running the way we want it to be and the pictures frequently change. I would like for us to be like the West End news and people want to find out what is going on, and they will go on you and Ashlyn's website and they won't bother watching the news or reading Corky's publication and just go to our website.

Mr. Casey said he took what was on the website (in which John Manard developed the waiting list) and modified that because basically over a year ago, we recognized that we were never going to be able to take all those people off the waiting list who had been on the waiting list wanting to come in as an "as is" condition. Some people want to be there when the Harbor is complete. Some people asked if there is power yet. Mr. Tureaud said they wouldn't want to wait at a non-powered place. Mr. Casey said we have another form that Wayne had developed to see what interest people had as people were calling us and coming in and asking about getting on the waiting list for the restored harbor. We haven't had it published on the website, but we have given it out to people and emailed it. We have a total of 150 vessels, 100 people on the total waiting list, 100 people who had been on the waiting list, and people who want to come in. We were looking at that today, and it's pretty much people at South Shore Harbor. People who live on the south shore of the lake (like Orleans, Jefferson, St. Bernard, St. Charles, etc). Mr. Tureaud said that will put us at about 330 with the ones we have now like 300 in that number. Mr. Casey said we have 140 occupied slips and then 150 currently on the waiting list, so a total of about 300. One of the issues that we have talked about is that there are a lot of boats that never leave their slip on the west side. Some people have kept boats for sentimental reasons, because it was their dad's boat for example, and the rent has been cheap. Mr. Tureaud mentioned about getting the rates finalized and publicized, because like Ric spoke a few minutes ago when people find out what the rates are going to be. When you are used to paying nothing and you have to pay a market rate, it may be too much for sentimental reasons. Rather than having them wait until the final moments, we get them out sooner than later and we can get that section of people off the list because they are not intending to move forward anyway.

Ric said those people don't even move to across the East side on a temporary basis, and they make the decision then to pull the boat out or go elsewhere. Mr. Casey said that is another project that he is working on and anticipating that we will handle that, exactly what you all are thinking before we get to that point of the boat transfer from the west side to the east side, to make everyone aware. Mr. Tureaud said that is excellent and we have been trying for years and years to get the money to rebuild the harbor, and now is the time to start catching up. We have done a good job so far. The staff had done everything that needed to be done to expedite this process from dealing with boats to parking and all these other things. Now we have to move this thing through the City Council and have to get a study. He requested to have

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Kimberly Armstrong to dig it up and send it to the Executive Committee and take another look at it. He needs to use it as a guide and we will have something to bring to the City Council. We would like to get that moving and another priority.

Mr. Casey said this proposed Resolution is basically to get this information on the website, because there are other things on the website that relate to this that have discussions about the Harbor. In order to change that, we have to change this and update it. He wanted to point out in the first paragraph that existing west pier slip tenants who are in good standing (rental payments are current along with proof of required insurance and vessel documentation) will be assigned a slip in the restored harbor. The location of the assigned slip will be at the sole discretion of MYHMC. Existing slip tenants who are not in good standing will not be eligible for an assigned slip at the restored harbor. This is tracking along what we did with the boathouse lease extensions several years ago, in terms of people who were qualified and not qualified to get a lease extension had to be current on rent, insurance, etc. On the website currently, people who were tenants and everybody anticipated and this predates him working with the Board that is was going to be a short term thing and that the claim was going to be settled faster than it was settled, and it says on the website that there are no guarantees that anyone on the west side that you are going to get a slip on the east side. This was all put together back when the harbor opened in 2008 or 2009 time period. A whole new process will begin at that point in time. I know that we had other discussions at other meetings where the Board felt that people who have been tenants for this time period without water and power and paying their rent had toughened it out waiting for the improvements to happen. In effect this would give them first position on getting a slip provided they are in compliance. Mr. Tureaud said that we don't really have an issue with that.

Mr. Rodgers had a question about open criteria they are not going to be assigned a slip. The way he read it depending on whatever time someone comes in and slips are assigned. Is it at that time when they are not in good standing or are the current people in good standing? Mr. Casey said if the Board passes this, we can make everybody that is a current tenant that if they are not in good standing, they need to get into good standing because the train is moving on. Mr. Tureaud wanted to understand the point that Mr. Rodgers was trying to make. Are you saying that if a person has not been in good standing, and then all of a sudden when it's time to apply they suddenly become in good standing and they are eligible and that's the way that it reads now. Am I correct? Mr. Rodgers mentioned back payments they owe and show their insurance and registration. Mr. Tureaud asked Mr. Rodgers if he was speaking against people who may have had a history of being delinquent with their payments? Is that your concern? Mr. Rodgers said the way he read it, he read that whoever is not in good standing they can come up and say that August 20<sup>th</sup> you are assigning slips, and August 20<sup>th</sup> someone who is not in

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good standing would come to the office and paying you a check for back rent and showing and proving that that they are in good standing, or is it when we adopt this tonight we are setting a date of whoever is not a good standing.

Mr. Halpern said the only positive interpretation is to make the application at 1PM and by 12:59PM you have to be in good standing. Mr. Tureaud agreed and said that was how he read it.

Mr. See said he has an illogical interpretation because when he read that existing slip tenants who are not in good standing will not be eligible for an assigned slip in the harbor ever. Mr. Tureaud said it's in the first paragraph, the last sentence. Mr. See said that we need clarity because I don't think it's the intention of the interpretation. Mr. Halpern said if you are in good standing at 12:59PM then at 1PM you can make your application. The part that refers to the negative is that existing slip tenants who are not in good standing at 12:59PM or the 1PM application will not be eligible for an assigned slip. Mr. See said for "an assigned slip not the assigned slip. I would hate to see a tenant be not in good standing get in good standing and for whatever reason cannot get into the harbor. Existing slip tenants who are not in good standing I know it's an illogical interpretation will not be eligible assigned a slip in the restored harbor. It doesn't say upon becoming in good standing they will be welcomed back in the harbor. Mr. Smith asked if it would be better to say if any tenant who has been 60 days or more delinquent in any of the prior six months. Someone else said we have some slip tenants who might be "dead beats", and we have limited staff to chase people and limited means to get them out once they are in. Right now we have two boats that are past due. This is not a lot of people. One of them is over 90 days old. The other one has disputed a late charge, and that is now between 61 to 90 days. We may want to include anyone who has not satisfied their obligations to the harbor as of August 29, 2005. We still have that list and chase those people out. Someone asked "Ric, couldn't you just roll them to the bottom of the list because they are not going to hang around if they have a six month, nine month, or twelve month late". We will ultimately have a short-fall in slips and not giving those people slips in the harbor. I don't want to see anyone discriminated against just because they had a death in the family, it was their father's boat, they are straightening out the estate, they go 60 days passed paying because they have all other things going on, and all of a sudden they will not be eligible for an assigned slip in the restored harbor.

Mr. Tureaud said to Mr. Rodgers the way he is hearing it and wants to be clear, what you and Ric are saying is that we don't want a person who has been habitually late and I see the reports all the time, and I am sure someone's father may have died. Some of these people must have had a lot of fathers, because they are habitually late all the time. We are going to take a good waiting spot and put this person in the harbor and now once they are in, and now Taylor and our limited staff has to fight to get them out, when we already

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know that they are going to be a bad tenant to begin with. He asked Mr. Rodgers if that was his concern. Mr. Rodgers replied saying "That wasn't it." Mr. Tureaud said that was Mr. Smith's concern. Mr. Rodgers said if it is 120 days and they come on day 21 to fill out an application and come with back payment and satisfy this as it reads now. Mr. Smith said if people know today that it is 6 months now when this is going out for a final that they had to be current, people who are serious about it will be current.

Mr. Smith offered saying instead of the statement "Will not be eligible for an assigned slip in the restored harbor" say "Will be become eligible upon becoming current" because that is the intent. If somebody makes good on it, then they are allowed to come back in the harbor. Mr. Tureaud said that's one point, but the other point that Ric was bringing up that he was talking about in his amendment was that there are people who are on this list who are habitually delinquent. We may not want them as tenants.

Then you will have to put another condition that if you go 90 days without payment then you are out of the harbor. That should already be in the lease.

Mr. Bloom mentioned that there are not a lot of people who are delinquent. There are tenants who are not carrying the proper amount of insurance on their boat. There are also other issues. It's a violation of their lease and they should be gone. Mr. Casey said under the Louisiana law, it is extremely difficult to get people out of the harbor. We have talked about this numerous times. Mr. Tureaud said that when we move them from the west side to east side (just like we did with the boathouses with the new leases) when we brought everyone into fold and into compliance. Now is our time to make sure everyone is compliant.

Mr. Smith said he just don't want to see somebody getting caught in this, where they make themselves current and then they come before this body and for whatever reason this body reads this and said "Well, I know you're current but you weren't in good standing and so you will not be eligible for an assigned slip." Mr. Tureaud said that he wouldn't apply it that way, and he doesn't think Taylor would intend for it to be that strict. It was not implied to be that strict. Mr. Smith said that if we turned it positive and say "will become eligible upon payment." Mr. Tureaud said how about "may become eligible." Mr. Casey said he would use "may" because in the old days the insurance companies would send you a cancellation notice. They don't all do that anymore. We find out sometimes in a roundabout way even though MYHMC is a named insured. It's like people who get car insurance. They get car insurance when they need to go get a driver's license and they let it lapse, or they get boat insurance when we may pressure them to get boat insurance or we will cancel their lease. But then it lapses sometimes we find out about it and we get a notice and sometimes we don't or we hear about the fact. And we ask them to produce a new certificate and they can't produce a new

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certificate, so we have some tenants who are habitual offenders on the insurance side of things, and they may pay their rent, but they laugh at us and one guy even told me "Oh, I don't believe in insurance." I said "You better believe in insurance, because the day of reckoning is coming." Mr. Tureaud thanked Mr. Bloom for bringing that up because we do have it. I see the financials, I don't see the number of people who are uninsured and I don't see those reports. You are right, we probably have the habitual offenders and we need them to have insurance and we need to be protected. I would hope that someone would put in the amendment to cover all the delinquencies that we are experiencing that are in violation of the lease.

Mr. Smith said he would like to offer this amendment that is here and would appreciate any input "Slip tenants who are in good standing, rental payments are current, and have not been 60 days or more past due twice in the previous 6 months, along with proof of required insurance and vessel documentation." And then I would add at the end of it "Existing slip tenants who are not in good standing as defined above, will not be eligible for an assigned slip in the restored harbor and will be added to the bottom of the waiting list when any past due amount is settled"

Kerry Cuccia made a suggestion that he understands the frustration of "dead beats" and people who don't pay on time. The point of that for the past 12 years, things have been back and forth and up and down, and you have to give a little break to people who aren't as timely as they can be for taking care of their responsibilities. We did that with the boathouse owners and we let everybody catch up. It was a more complicated process. I think I understand what you all want to do. That paragraph that talks about tenants who are in good standing with rental payments and proof of insurance will be assigned a slip in the restored harbor. Any existing slip tenants (and you should use the same phrase to be consistent) who are not in good standing as of that date will not be assigned a slip. These people are jumping in front of the waiting list. You may want to make that clear, that they can obtain a slip without going through the waiting list. Anybody that does not comply goes to the bottom of the waiting list.

We can't legislate or violate, we don't have to do it this meeting and let's get Taylor to get input from other people like Mr. Cuccia, so that we will have something to look at and if we get it like a week in advance of the next meeting, then we can look at it and comment. Mr. Tureaud recommended that we send it out as a draft tonight because we don't have enough time. Mr. Cuccia said he thinks that you can pass a resolution tonight that anybody who is along the lines for a policy for a waiting list until the harbor is being prepared is resolved that anyone who is an existing tenant who is not current in their obligations will be required to go to the waiting list. You don't have to be any more specific than that. Mr. Tureaud said we think we can do that on the website.

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Stanton Murray had a comment. Everything that we look at including certain languages like "bottom of the waiting list" is probably not an effective term. Mr. Tureaud said that certain things need to be defined. We spoke briefly about some of those things. It is always good to have input, and it is probably not a good idea to try and pass this tonight anyway. He agrees with Mr. Halpern 100%. Mr. Smith said for the benefit of the people in the room who are not looking at this, if we don't change the intent of this, the intent is that those who have slips in the western harbor will be assigned a slip before the waiting list on the eastern harbor and then be allowed to move back to the west side, and that those who are already on the temporary waiting list will be moved to the waiting list of the permanent slips. I think that is what the intent of what this document says.

Connie Uddo asked is it just limited to, or anything about a slip owner that is negligent on keeping his boat or slip clean, or trash around. Is that anything we have oversight on? Mr. Tureaud said that we have oversight. Wayne brought up a couple of areas that people are delinquent in. Ms. Uddo said she has a swimming pool next to her home that has not been addressed for 13 years and she was at City Hall and code enforcement was involved. That owner is negligent, and she shows up the day of the sheriff's sale and pays all her fines yet we're still sitting with this problem pool. She is negligent but pays all her fines, but it is more than just money. Mr. Tureaud said that we are going to get this thing circulated in a draft a lot sooner this time. Someone send Taylor all of their ideas on how you want this to read. There is going to be harbor rules and regulations that we are going to also be revised. We are just trying to get the harbor built. Now that it is built, we need to make sure it is run right. We need to be efficient in a lot of our mannerisms that is going to be conducted. This is just a start of it. When you say a boat looks good, you need to define and who is going to be an expert on that, and how do people dispute that. All those types of things we are going to have some long, hard discussions on. Mr. Casey said that if anyone has comments to just email him. Mr. Tureaud said that if anyone has comments to copy everyone and not just Mr. Casey, and let's get a discussion. Let us receive the comments as soon as you can, and the draft deadline should be two weeks before the next meeting so that we can have a week of discussions, but let's get the comments if you have concerns and that's including the staff. Wayne, you have some things that you are talking about in the background that Ric and I don't see those things. Ric is a numbers person, and I am somewhat of a numbers person. I see the numbers, and I know who is delinquent. I kind of almost know who they are by now. You remember these people, but I don't see the problems that you have everyday and the problems that Connie might be talking about. You know who your nuisance people are. We rely on you and Taylor for that. I don't know who is a nuisance out there. That's good. The conversation is good. Everyone with a concern get them out and please copy all and hopefully we can get started discussing this draft about two weeks out before the next

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meeting. Mr. Casey said the next meeting is on September 11<sup>th</sup>. Mr. Tureaud said that it is all good discussion and glad to see everybody on board with that.

There were no motions. The resolution "Authorizing the Waiting List Rules for the Restored Harbor" was tabled.

**Information and Discussion Items:**

1. Boathouse Leases and Supplemental Lease Agreements were discussed by Mr. Casey. There were no boathouse sales during the month of July.
2. The FEMA Update was presented by Mr. Tureaud. The FEMA update is included in the Executive Director's Report.
3. The July Financial Report was presented by Mr. Smith. At the end of July, MYHMC had total assets of \$3,658,000 with current assets of \$3,653,000 and the bulk of which was in the form of cash of \$3,500,000 in two accounts at JPMorgan Chase Bank. On the liability side, MYHMC had total liabilities of \$1,117,000 of which \$611,000 are current liabilities, and the bulk of that is accrued interest on the NOAA bonds of \$328,000 and \$113,000 in unearned revenue on lease payments in advance. The long term liability of \$505,000 is the balance on the NOAA Bonds. That leaves MYHMC with a fund balance of \$2,542,000 of which \$1,944,000 is unrestricted net assets. For the month of July, total income was \$57,000 and operating expenses were \$54,000 such that net ordinary income was \$3,200. Net other expense for the monthly interest accrual on the NOAA Bonds was (\$3,560) such that MYHMC's net income was a loss of (\$360) for the month. For the year-to-date, MYHMC had revenues of \$392,000 and operating expenses \$361,000 which yielded \$31,000 in operating income. Net other expense was (\$24,000) such that net income for the year-to-date was \$7,000. The Corporation is currently operating on a break even basis.

Mr. Stanton Murray had a question about the financial statement as to how it will be impacted as new assets come on. Is it going to come out as new assets and liabilities, or will the liabilities come out ahead of the assets. Mr. Smith said the docks don't appear on MYHMC's balance sheet. They are owned by the City and will be listed on the City's balance sheet. Stanton mentioned expenses such as upkeep and security. Will expenses jump ahead of projected income, and will the Board need to obtain short term loans. Mr. Smith said "Not short term loans, but we are allowed to use part of the restricted funds if we are operating at a deficit.

When the new harbor comes on line, will there be more expenses than income in the short term? Mr. Smith said he thinks for some period of time there will be that

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situation. Mr. Casey said that we are working on our budget for the calendar year for 2019 which we will be discussing at the next Board Meeting. We are making an assumption that the harbor will be fully functional by the beginning of the fourth quarter of 2019 such that new rates will be in place, people coming off of the waiting list as new tenants, and more revenue coming in because of higher rates and more tenants. Mr. Tureaud said a lot of things that will be required we already have, and we will have to ramp up the numbers as in security and pay for lighting but obviously not as much. But when the lighting comes and use of that lighting comes, hopefully we will have a minimum of 330 tenants at full rates. These rates have yet to be determined, which is part of what this Board has to do immediately. That is why we have been such good stewards of the funds. That is why we don't have a Harbor Master, and why we have Taylor and Wayne running around. We have a lot of committees and we are going to have a few more committees, and I applaud the committee members for doing the bulk of the work. Our staff is Taylor, Wayne, and one office assistant (Kimberly) and that's it. Even for the skeleton occupancy that we have now, MYHMC is severely understaffed when you talk about building a marina and the nuances that go along with that. For Taylor and Wayne to be doing the contractor, general contractor, overseer, harbor master, problem solver, and Lord knows what else. I tend not to sit in that office because there is too much stuff going on, so there will be a point, but we are going to gradually go towards that and I think that we are budgeted fairly well and good stewards of money. We haven't spent a dime more than what we had to. We did not have an Executive Director for many, many years because we foresaw that we couldn't afford to pay Taylor's salary for 10 years and hopefully get that returned. Taylor was worth his salary, but we don't have room in the budget for a huge staff at this point.

Someone asked a question about transition. Mr. Tureaud said it's definitely manageable. We already have in our budget a lot of the things that we will need. A lot of the things that we will get are coming in on the FEMA ticket, so we won't have to buy a lot of stuff.

Alva See said this Board should consider after the rebuilding of the harbor and tooling up for the piers, not to power them up and supply them until 51% are occupied per pier, and that way you will prevent the 31% or pick a percentage number and you wouldn't be upside down. Mr. Tureaud said that is open for discussion and there will come a point where we will have to look at all avenues. Someone commented about not having electricity. Mr. Tureaud said that he is advocating that we don't. Mr. See said that when we turn the slips over to the tenants that they be at least 51% occupied before we allow the tenants to go into those slips, so that we can generate positive cash flow off those tenants. Mr. Tureaud said that is something that we can look at in the future, and he thanked Mr. See.

Mr. Smith said when we move boats to the east side and we lose some because of the anticipated increase in rates and we are not going to be populating what people don't want to have water and electricity, and we still have the same

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expenses that we have now. That will be the period to me that we will have the problems and maybe in a month or so after we get fully operational. It is manageable and we have sources of funds on our balance sheet to take care of that. Mr. Tureaud said we also have people who are without power and water who are still on the waiting list. There will be some stresses but not always, but not to a point where we will have severe problems.

Someone asked how many slips will be on the east side. Mr. Tureaud said he can't answer that until we know definitively how much of the contingency money we will have and whether or not we will be able to build alt 1 or alt 2. Mr. Casey said the east and west is in the neighborhood (including side tie areas) of about 325 to 350 Slips. The total Master Plan for the whole harbor is about 450 slips.

4. The Economic Redevelopment Committee Report was presented by Howard Rodgers. There are no new developments. Councilman Giarrusso and I are waiting to get some information from the City's Law Department and the City Planning Commission in addition to Jefferson Parish's response with respect to their draft of a Memorandum of Understanding. Once he gets some information on those items, he will pass it to MYHMC.
5. The Environmental Quality Committee was discussed by Mr. Forbes. Mr. Forbes mentioned that the goal of the Committee is to eliminate broken sewer lines at the boathouses. Figuring out how to accomplish an inspection process, and whether it can be done by consensus amongst boathouse owners is the main issue. The Committee has a copy of the standards based on an estimate from a plumber who is a reputable contractor who is taking a look at things. We have copies of this in hopes that it might be used as sort of a standard by which adjustments might be made to existing systems. There is also an option and a cost if suppose someone wants to replace their whole sewer collection system and what will it entail. So basically option #1 is visual inspection by a licensed plumber of the under deck sanitary sewer system to ensure that the sewer line has proper fall and is free of any cracks, breaks, or imperfections. Mr. Forbes said that he doesn't need to read everything in his handout because he has extra copies for the Board. The Committee hopes that there will be enough of a buy-in by the boathouse owners to pay for an annual inspection and that this might be done on a voluntary basis. The cost of an inspection is not all that much. Price #2 is if sewer lines may need to be adjusted and secured. Price #3 is standard #2 along with any additional work that might be required. This is something that can be given to other plumbers and assuming that they don't disagree with the ideas, they can say "Okay, well here is my price to do it for 1 owner and here is my price to do it for four owners." We would like to try to move it along. Kerry and I have talked about maybe distributing this and talking it up amongst the Boathouse Owners Association and seeing how to accomplish it. The goal is to try to accomplish the inspection process by consensus because there is serious question as to whether it can be mandated because it is not required in the lease. It could be added to the Boathouse Transfer Requirements from one owner to another, but if we can achieve some kind of critical mass we will come close to achieving what we

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would like to do, which is a failure maintenance system of what I call "Oooh what's that smell" to preventative maintenance system. I have copies if anybody else would like one.

Mr. See said it seems the problem comes from when the lake level comes up, and impacts the sewer lines. The plumber that inspected it is a master plumber, and he says that the thing that needs to be done is that the pipe needs to be kept under the water when the water rises. There is a simple device that he can fasten to the structure and the pipe to keep the pipe submerged if the lake rises up. There are enough boathouses to where if we can have this adopted as a standard, we could have two, three, or four different plumbers bid on the work, and those different plumbers can work around the harbor starting at a logical place and fanning out. I would encourage that three units be inspected and repaired at a time which would help to keep down the trip time for the mechanics that are doing the work. Mr. Tureaud asked Mr. See if he and Tom along with Kerry discussed grandfathering anything in, or are you talking about across the board changes? What are your recommendations? Mr. See said you don't grandfather anything in. You just have the inspection and let the master plumber make the assessment if the work needs to be done and you inform the tenant. The minute you do and something happens, one neighbor is going to call the other and say "I smell something", and it will be a higher cost to get a plumber out a second time.

Mr. Tureaud asked how does MYHMC implement the inspection process. Mr. Forbes brought up that we have a contractual agreement with boathouse owners, so we can't make them go on and inspect without "just cause". We want them to "want to do it" because it's an EPA issue. Mr. Cuccia said that we won't be able to enforce anybody to change what's there unless it is a repair and then you have the authority under the lease and regulations to require to be repaired.

Mr. See said that it is the goal for the master plumber to provide an inspection report, two photographs, and a diagram of the pipe routing so that MYHMC will know how the pipes are routed under these boathouses and we can put them in a binder. Mr. Tureaud asked Alva what will the it cost? Alva said that is a part of the inspection cost at the homeowner's cost for the inspection, photographs, and a line diagram. Mr. Tureaud asked if it is mandatory that he is proposing this because we have a contractual agreement and we can't make them do it. Mr. See said that it is not mandatory. Mr. Cuccia said that if that's what you want to do, just get ready and go get your lawyer. Mr. See said it is not mandatory and was just saying that if the master plumber says there is a sanitary deficiency, then it is mandatory. Mr. Cuccia said the boathouse owners obviously pay for the repairs. We are trying to get everyone to an annual inspection and keeping the cost of that inspection relatively low based on the bid that we have. He has not had anybody express any negative attitude to having an inspection and also participating in the cost of the inspection. He has a plan, and he wants to take the proposals that Thomas and Alva got from the plumber. He is going to send out #1 because that's the inspection report process and he is going to talk to people about how do they feel about this, and see if we can find a way to get this by agreement with all of

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the boathouse owners and by a specified point in time. The cost numbers are going to be the difference. Even if you don't have everybody and if you get a vast majority of people to do it, it will start to work because then when the problem comes up, you got to see the break. If you inspect a line and it's broken you will see it. Mr. Tureaud said you will smell it. Just like we did with the boathouse owners and the extended leases, we all worked together in tangent. I've spoken with Thomas on more than one occasion, and I never got the impression that we intended to force this on the boathouse owners. That is not the way to get something done, and legally we can't. If that's the route that we are taking, where we will try and work in concert with the boathouse owners. He said Thomas said initially in his comments that "we want them to want to do it" and if that's your approach, then I agree 100%. You had some other ideas that were good. One of your ideas was to when we do the lease transfers. Whatever the new requirements are, we will add that. It seems like #2 would be something that you can put in as a requirement of a transfer. At that part in time, we can do the inspection and everything gets re-strapped and secured. Mr. Tureaud said that would be under the new standards under #2. There was another comment about where the pipe is strapped on a proper angle and strapped so that it won't sag and braces so that it won't flow up.

Someone else commented saying that the problem is those braces are going to have to have three points, one straight up and on an angle, because of the weights that are going on in there. Mr. Cuccia said that he had some stainless steel braces put on his line, and he sees that there is already a crack in his pipe. He is waiting for the water to go down. Mr. Smith asked how far apart were his braces? He said about 6 feet. The brackets are way too far apart and they need to be much closer to prevent what he is saying from happening. Mr. Tureaud he should get with Corky and take his idea. Mr. Casey said that we can expand what we have for the transfer for the inspection and sewer process. Mr. Tureaud asked the Board if it would be too far a reach as well as Thomas in his opinion to require this also when owners apply for permits to do improvements to boathouses? We get more of those than transfers now. Thomas said that he will have to take a look into it. Mr. Tureaud said this is a great first report and we are going a long way to cover EPA standards. He thanked Thomas and Alva for doing this, and we look forward to you working with the stakeholders and giving us a second report.

6. The Quality of Life Committee was discussed by Ms. Uddo. Ms. Uddo said she and Kerry had a discussion about the crime prevention district. He suggested that we talk to other neighborhood associations to see how they felt about something like that. Kerry said he thinks moving with the crime prevention district right now would be premature, and it's too big of thing to bite off at the moment. He thinks geographically all of those places fit very logically in a crime prevention district, but they are outside the scope of this Board's area and it's going to complicate what he would like to see and address what we know the existing problems are right now. He polled the boathouse owners and has gotten a number of responses.

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They sound like what we are already aware of such as noise, trash, and lawlessness (lack of security), and working on the funding that is available that the Board has done well. Mr. Tureaud interjected and said to Connie that the FEMA Committee has to submit the signage plan for the marina and for Breakwater Drive. He suggested to her that one of the first things to tackle is what signs and trash cans are needed, and where does she think that they should be located. We can see how this might be able to fit into the City's FEMA budget for the shoreline restoration claim. He said that he was not trying to prioritize how your Committee does its business, but if you give it to us sooner rather than later we may be able to help you out. He knows you have a big issue with trash especially with Breakwater Park and the Point. We have already talked to the City about when the area is improved we need receptacles. He does not like the "pre-historic" looking dumpster that sits on the street at the Point. He understands the necessity for it currently, but he is hoping that the Quality of Life Committee will give the Board some ideas how to beautify the area because the improvements to the area will be completed next year. Mr. Smith said that when you got out there on a Sunday morning trash is all over the area and that it is a mess. Mr. Casey said that people will not walk fifty feet to put their trash into the dumpster. Mr. Tureaud said that he can give your Committee a little bit of guidance with respect to some of the things that Kerry mentioned such as how much signage you will need, how do you deal with the trash, what are your ideas on how to beautify the trash collection, etc. He has an idea about the garbage cans and we can talk later about that.

Mr. Cuccia said that he gone around and looked at Audubon Park. He said that Audubon Park does a better job than City Park with their trash collection. There needs be something along the planned walkway at the shoreline because that is what people are going to need. He appreciates this idea to look at that, because that's the kind of thing that he was thinking about before we go into jumping into something as big as the crime prevention district. We need to start talking about these items which need to happen much quicker. Mr. Tureaud said he is hoping that you all can give us some guidance on how do we properly moderate the signs and the movements and actions of the people along with restrictions, barricades, ropes, signs, trash cans, and whatever else is required because we don't want to be thinking about this after the Breakwater Drive project is finished because it is going to be starting fairly soon.

Mr. Cuccia said that is the kind of thought process that he and Connie have with all these priority items including looking forward to additional security because we are taking a look at it as an alternative, but these issues are more important. We have a contract with the current security company that has gotten a lot of criticism more than the previous contractor. There is certainly one very good guard who is very conscientious. Currently, we understand that MYHMC pays \$133,420 per year and that the current security company provides service 128 hours per week. We could possibly get an NOPD police officer for 77 hours per week for the same amount of money that MYHMC is paying although a vehicle may not be included. Mr. Tureaud asked what detailed hourly rate are you using?

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Mr. Cuccia said that is a bottom rate, and it is based on a scale of \$33.68 per hour total. Mr. Casey interjected and said that we talked about that, and one of the things is that you are subject to getting whoever they want to sent to you at rate based on their rank whoever is willing to work the detail. Mr. Tureaud said that it is worse than that. That is the old way details were handled, and now the City is under a consent decree. The consent decree entails total regulation of detailed officers. You were right, and you do not know how right were before you modified your statement. You are subject to get the officer that comes up on a rotation of a detail assignment. I want you to know what you are getting Kerry. I am not moving away from the possibility of additional security from police officers. Maybe we need to look at the Levee Board Police if they do detail work because they would have more back up in the West End Area. We could look at the Sheriff's Office as well, but the Sheriff's office is also under a consent decree. The detail situation used to be where I might know a good cop and I could say, "Come on Alva, you are a great cop. Come on, work my detail." And I could keep you there on a regular basis, and I could tell you "to go find three buddies who just like you." Those days are gone. Mr. Smith asked about the Non-Flood Assets that are right around the area. Mr. Casey said it is actually the Orleans Levee District Police and he doesn't know if they do details. Mr. Tureaud said don't be a nice guy and don't confront the person. He said to David Halpern when he sends an email to Mr. Casey, also include him as well as Wayne Bloom. Mr. Tureaud said that he likes to drive by and may say hello to the guard on duty and that he likes to know who he is speaking with. Let's try this and see if we can improve the service that we have, because we are paying for it and it is not cheap. When we had problems with the speeding, he said that maybe MYHMC would want a police patrol car on Friday and Saturday nights from 8PM until midnight. Maybe we want that, but we can't afford to do a dollar for dollar exchange, because if you get an NOPD officer in a car you are not getting in for whatever that number was you said. It's not going to happen and you are subject to getting a guy out there in his car and who might not patrol the area.

Mr. See said Kenner used to place a squad car underneath a tree on the way to Baton Rouge along I-10. Mr. Tureaud said that worked for about five minutes. He continued to say you have a different perspective than I do. Mr. See was wondering could if we could do that with an NOPD squad car and just have it back there and pay the City \$150 per night? Mr. Tureaud said he has no idea, but you can find out if they will do it and let us know.

Mr. Tureaud asked Ms. Uddo if that concludes her report. She answered "Yes."

Mr. Casey also wanted to add that MYHMC also had a discussion about trying to get NOPD or the Department of Public Works to run the program with the speed camera vehicles, and have automated ticket writers out there.

7. Executive Director's Report was presented by Mr. Casey. There were four topics:
  - 1.) FEMA Update: As per Capital Projects, FEMA has approved the \$7 million dollar claim for the shoreline restoration and mitigation measures for Breakwater

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Drive and Park. That was the presentation that was made by All South Consulting Engineers several meetings ago that Mr. Tureaud was referring to as the project that is getting ready to start. The plans are almost done, and the City will be going out for bids this Fall. TKTMJ has completed the demolition of the North Pier and they anticipate that the demolition will be completed in early October. The installation of the steel sheet pile wall has been completed and the contractor anticipates installing the dead men and the tie backs in August and September. They are also doing some other utility work in that area now that they have the street excavated. It has been a mess of stuff that has happened over time since the Yacht Club building and sewer and water lines got installed in the area. They were finding all kinds of different things, but it is getting all straightened out and a new water line is also being installed by Sewage and Water Board; 2.) On August 8<sup>th</sup> the City Planning Commission's Design Advisory Committee approved the plans for the Breakwater Drive Boat Launch. The contractor should be able to start the construction of the improvements by the end of August through us a curve that everything has to go before the City Planning Commission's Design Advisory Committee, even if it's a City owned project or property owned by the City. It used to not be that way. Mr. Tureaud interjected and told Ms. Uddo that although he does not recall who is on her Committee, but he advised her to grab someone to help her out. This Boat Launch project is going to be quick. We don't have any signs and we don't know what we need. We don't know what we will do with trash collection, and we probably will need that sooner than later. Ms. Uddo asked, "When will the Boat Launch be completed?" Mr. Tureaud said, "We don't know the exact completion date, but we know that it will be starting relatively soon. Mr. Casey said it's about a three month job. Mr. Tureaud said it is going to be a short process and he asked if there are any signs that we need for the Boat Launch. Mr. Casey said there is a sign that is included in the job with the funding that is coming from the Wallop-Breaux Act and we have some no swimming signs out there now. Mr. Tureaud said that he did not mean to interrupt, but he wanted to put that on your radar. It will be quicker than the Breakwater Drive project and it will be finished relatively quickly. Ms. Uddo said that she is not experienced and not a boater or fisherman and it is out of her league, so she needs help on ideas with respect to signs that need to be out there. Mr. Tureaud said to call him if she ever needs to discuss it. Right now we need to concentrate on the trash and keeping the area clean. Mr. Casey said that previously the Boat Launch was open and we had a two cubic yard dumpster out there, and that seemed to work well at the Boat Launch because it was heavy enough, as opposed to the plastic cans that could float away when the tide came up. Mr. Cuccia said that he will go over to the Bonnabel Boat Launch and Kenner Boat Launch and take some photographs and see exactly what signs they have and placement of the trash cans. I can't see a big dumpster at any one of those locations, but there may be. Mr. Casey said that it is relatively small. Mr. Tureaud asked Mr. Cuccia, "When you say either one, you are referring to the Point as the other one?" Mr. Cuccia said the Point is a different story. Now we are talking about the Boat Launch because big dumpsters attract people to come and dump stuff. Mr. Tureaud is hoping that Connie and her Committee come to us with a

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plan to get rid of the dumpsters. We just need to come up with a better solution to keep the area clean and not have a dumpster at the middle of the Point or in middle of the Boat Launch. If you can come up with that, it will be as good as solving world peace. Ms. Uddo said she will also go to Bonnabel and other Boat Launches. There was mention of an oil disposal facility. Mr. Tureaud said there will be no changing of oil at the Boat Launch, but at the marina there will be an oil disposal facility; 3.) Updates to MYHMC's website are in process, and staff is working with Firefly Digital to be able to remove the Master Plan and to replace it with a current construction photograph and description; and 4.) MYHMC's 2019 annual operating budget is in the process of being developed and will be presented at the September 11<sup>th</sup> Board Meeting.

**Other Comments and Issues from the Public:**

Mr. Cuccia introduced Chris Cook with Lighthouse Museum. Mr. Tureaud said to Chris that he wanted him to meet Tom Forbes because he chairs MYHMC's Environmental Committee because he would like to get your input on some of the things that we talked about today. Our meetings are generally not this long, but they are going to get longer because we will be adding on a few more Committees and our business items are expanding. He welcomed Chris and he told him that he is welcome to attend every meeting. Some of the successes we have are because we have worked with all of the stakeholders. As Connie says, none of us are experts with respect to everything. Mr. Casey said that he will add Mr. Cook to the agenda distribution list. We typically meet the second Tuesday of every month.

Stanton Murray commented about setting the slip rates. He watched public and private marinas across the whole Gulf Coast set rates in responding to the market and most don't respond well like the Orleans Levee Board. The MYH had to go back to the City Council for approval and it can become controversial. He strongly recommend if possible to do something like set the rates at "X" level and get the Board and the City Council to approve it and offer a discount until the Harbor gets to certain levels of occupancy once the facilities have been improved. If the Board could set the rate of "X" which is at high market, and then it does not have to go back to City Council six months later to get approval to adjust it. Mr. Tureaud said that he likes that idea and he can point to Slidell. Ninety percent of time, unless there is a function at Heritage Park (remember when we had a meeting with them and they discussed the rates then they hit you with a utility fee which puts them over the market), that marina sits empty about 90% of the time. When I say empty, I mean not one transient boat.

Mr. Murray said that is one real problem that if rates are too high it would be empty, but if they are too low it would be a whole other issue, so we could have both problems. Mr. Tureaud said, "Right." So the flexibility may come with the idea of adopting a rate range. We can do it legally and offer a discount relative to occupancy. Mr. Tureaud said, "Like a sliding scale of sorts." Mr. Murray said, "No, when we start here but we say when we first move in until we are half full

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we are going to be at a rate and then six months later when we renew, it goes up or it goes up by a finite amount. There are different dynamics that we can use. The Board has to go back to the City Council every time that it wants to request an adjustment, and there are going to be crazy people screaming and yelling that rates should either be lower or higher. The Board should consider finding a way that it can be flexible. Mr. Tureaud said that he likes the idea. Mr. Casey said that any information where any other marinas have done this, just pass it on to me because it is something that we have referenced earlier that we are working on to get out to everybody and get it before the Board and City Council and get it approved.

Mr. See said that six months after we open, if we are either too high or too low is a problem. Mr. Tureaud said that he likes that idea and we should talk again, because we need to do that sooner than later. Operating costs will determine the bottom of the floor. Mr. See said that follows the point he was trying to make earlier with the percentage of occupancy on the finger, is that if the percentage of occupancy on the finger grows then the rate can grow. Mr. Tureaud told Alva that is good.

Mr. Tureaud said that he doesn't have a Committee and usually he already has a Committee but we are running out of people. Mr. Smith said none of this works unless they are involved in it, since there is no formal organization. Mr. Tureaud said that MYH does not have an active Slip Tenant Association. He said maybe we can email out and tell slip tenants that MYHMC is ramping up and making decisions on things that are going to be done at the marina. The boathouse owners have an association, and they have a President who is active to get them started with a tenants association and elect someone and have that person be in contact with MYHMC and the Board, and the rest is stakeholders. If they don't have an active organization, maybe we can urge them to get one. Mr. Smith has a box of legal documents from the legal entity that was the Slip Tenants Association. Mr. Tureaud said that we can help kick start it. Mr. Cuccia nominated Corky Potts. John Manard was also nominated. Mr. Tureaud said that he and Ms. Graves are wearing so many hats right now. We are already going to several meetings a week with respect to FEMA Claims issues. We thought it was over and it is just getting started. Mr. Casey said that he has a couple of things in mind with respect to the rate flexibility issue. Mr. Tureaud said let's see if you can help and what Mr. Murray said was a great tool since he doesn't want to have to continue to go back to the City Council. Mr. Smith said that we have to start off with a base, because that's a requirement of the process but if we go in and say, "Here is where it should be," but we need to encourage people to come in the Harbor. Mr. Tureaud said he likes that idea. He said he wants to think about that and wants talk to Stanton again, and he wants the chair of that Committee to be with us so let's see who has what time. It would be better to have a numbers person as the Chairman. It is not about what you know about boats, and we are talking about rates here. Whatever boat knowledge you have does not matter, so it would be better served to have a person who is familiar with finances. We will get that person whoever that numbers person may be. I like your idea, and we want to get you together

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with a numbers person and we can drum up a couple of people from a reactivated Slip Tenants Association. Mr. Tureaud asked Mr. Potts if he was on the waiting list. Mr. Tureaud said that he doesn't see a problem with someone on the waiting list being a part of the Slip Tenant Association because you are a future tenant. Maybe Corky that could be you, and maybe you know a good guy that can get involved in this. We want the stakeholders involved. We don't want to price ourselves out of the market and we don't want to have to go back to the City Council, because that's a lot of work and time. We can't just discount everything where Taylor doesn't have enough money to operate the marina. So there are a lot of variables here.

Mr. Smith said that there are some size slips where we are short on, and where it just goes to market rate at the start as opposed to other size slips where we have abundance. Mr. Tureaud said that is why he asked for what he asked for from you and Wayne to get that information to the Committee. You may have a demand out here for a 35% or 25% or whatever the case may be, and maybe those go for market rates because how can you discount something that you are short. Give me a minute where we can get a Committee chair person in place that will give the slip tenants an opportunity to elect a Board or President, and that will give us a chance to get our Committee going.

Mr. Smith said in fairness, it is Corky's job is to help us identify possible tenants who might want to get involved. Mr. Tureaud said it doesn't have to be a Corky, but that it would be great if it was a Corky. Mr. Smith continued on to say that the last chairman dropped the ball and that the entity has to be reinstated. Mr. Tureaud asked if he is interested in getting the ball rolling on his end. He said, "Maybe." Mr. Tureaud said to let's plan a target of two weeks.

**Adjournment:**

On a motion by Connie Uddo and seconded by Ric Smith, the meeting was adjourned at approximately 8:10pm.

**Date and Time of next meeting:**

The next meeting is scheduled for Tuesday, September 11, 2018 at 6:30 p.m. at the Lake Vista Community Center.