

New Orleans Municipal Yacht Harbor Management Corporation

MINUTES OF THE BOARD OF DIRECTORS MEETING

May 9, 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 David Halpern.

Board of Directors Present:

Ashlyn Graves
David Halpern
Connie Uddo
Warner Tureaud
Douglass Lightfoot
Thomas Forbes
Howard Rodgers

Board of Directors Absent:

Alva See
Reginald Smith

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 Howard Rodgers and the motion was unanimously carried.

On a motion by David Halpern, seconded by Ashlyn Graves, and unanimously carried, the minutes from the regular meeting of April 11, 2017 were approved.

Action Items:

1. Mr. Casey said MYHMC currently has a contract with the Law Firm of Burglass and Tankersley for legal services with respect to resolving issues associated with the bankruptcy and Sheriff's Sale of BH #127. It is a professional services agreement with a maximum contract amount of \$15,000. The remaining balance on the contract is \$4,710.42, and it is prudent to start the process to execute an additional contract with the firm in order to be able to continue to pay future invoices. Mr. Tureaud said that the City Attorney recommended that MYHMC get legal help from outside counsel since the bankruptcy was a unique issue and was more involved than the standard items addressed by the Law Department. Hopefully this issue will be resolved in the near future.

On a motion by Howard Rodgers, seconded by David Halpern, and carried with the abstention by Tom Forbes, the Resolution "Authorizing the Execution of a Contract with the Firm of Burglass and Tankersley, LLC for Legal Services" was approved.

Information and Discussion Items:

1. The 2016 Financial Audit was presented to the Board by Kerney Craft and Valerie Lowery of Wegmann Dazet and Company. Ms. Lowery stated that MYHMC received an audit report with an unqualified opinion. Mr. Tureaud mentioned that Mr. Smith had reviewed the Audit Report, and he asked Mr. Rodgers if he had any questions with respect to the discussion by Ms. Lowery. Mr. Rodgers said he is satisfied with the presentation. Mr. Tureaud said MYHMC is blessed to have several financial people on the Board and that Mr. Rodgers is one of them. Board Members have fiduciary responsibilities and some of us have different expertise and skill sets. The Board is not expected to digest the Audit Report at a public meeting. The approval of the Audit Report will be scheduled as an Action Item on the June 13th Board Meeting Agenda.
2. Boathouse Leases and Supplemental Lease Agreements were discussed by Mr. Casey. It is anticipated that the extended leases for boathouses 78 and 115 will be signed by the Mayor in the near future. The \$5,000 extension fees have been paid. The paperwork for the extended lease for BH #18 has been submitted to the City for processing. The paperwork for BH #130 is in the process of being submitted. Ms. Graves will report on boathouse sales activity during the month of April. Boathouse #48 was sold for \$337,000 and MYHMC received a 3% transfer fee amounting to \$10,110.
3. The FEMA Update was presented by Mr. Casey. As per the Capital Projects Administration (CPA), it is anticipated that the 100% complete plans and specs for the harbor reconstruction will be submitted to CPA by Moffatt and Nichol on

New Orleans Municipal Yacht Harbor Management Corporation
Regular Board Meeting of May 9, 2017

Friday, May 19th. CPA's target date for the contract documents to go out for bid is prior to the end of May.

4. The April Financial Report was presented by Mr. Casey. As of April 30th, MYHMC has total assets of \$3,587,000 with current assets of \$3,577,000 and the bulk of which is in the form of cash of \$3,500,000 in various Capital One Bank accounts. On the liability side, MYHMC has total liabilities of \$1,072,000 of which \$534,000 is current liabilities, and the bulk of that is accrued interest on the NOAA bonds of \$270,000. The long term liability of \$505,000 is the balance on the NOAA Bonds. That leaves MYHMC with a fund balance of \$2,515,000 of which \$1,444,000 is unrestricted net assets. For the month of April, total income was \$61,700 and operating expenses were \$64,000 such that ordinary income was (\$2,270). Net other expense for the interest accrual on the bonds was (\$3,700), such that MYHMC's net income was (\$5,970) for the month of April. For the year-to-date, gross revenue was \$226,700 with operating expenses of \$237,700 and net operating income was (\$11,000). Net other expense was (\$14,000) such that it results in a net loss of (\$25,000).

5. The Economic Redevelopment Committee Report was presented by Mr. Rodgers. After the meeting that has held on Monday, April 10th with Councilmember Guidry and City staff members, Mr. Gordon McLeod, Chief of Staff for Councilmember Guidry, submitted design and site comments to the Regional Planning Commission (RPC) that will be included in the consultant's final report with respect to the proposed redevelopment of the restaurant parking lot. Mr. Tureaud said that the Orleans/Jefferson Parish line which runs through the site is not going to be an oversight because the property line has been included in the preliminary discussions and meetings with the RPC and their consultant. Mr. Casey said that it is anticipated that report will be completed in the next couple of months.

6. Executive Director's Report was presented by Mr. Casey. There were four topics:
 - 1.) The revised Boat Launch plans and specs have been resubmitted to the Louisiana Department of Wildlife and Fisheries;
 - 2.) Boathouse #127 on North Roadway was scheduled to be sold at Sheriff's Sale on Thursday, April 20th but the sale was stopped by the attorney for Bank of America. MYHMC's attorney is looking in to the status of the foreclosure;
 - 3.) MYHMC staff is working on the 2018 operating budget at the request of the City's Budget Office. This process is starting earlier than normal due to City elections this Fall; and
 - 4.) Staff has met with Mr. Joe Monsour several times with respect to the removal of his house boat that is docked in the slip area of Boathouse #2. Mr. Monsour called the office today to inform us that he is working on several alternative locations so that he will be able to remove the boat from the harbor no later than next week.

Other Comments and Issues from the Public:

Mr. Monsour said that he is looking into other alternative places to move his boat. He said he is currently negotiating to use two different slips. He doesn't want to go across the Lake and wants to find something on this side of the Lake.

Kerry Cuccia offered comments with respect to the mooring of the houseboat in its current location. It is not about the houseboat being there and it's not the property, but the condition where it is unsafe and when we get bad weather and the house boat swings, it is hitting the boathouse that it's moored to. We know the boathouses are tied together and we get a shaking of the pilings. It is an irresponsible thing to do. Mr. Monsour's difficulty in obtaining a slip shouldn't have any sway over the harm it causes to people who live in the boathouses. The houseboat should at least be moored properly so that it doesn't come into contact with the structures that are there such as the other boathouses.

Mr. Tureaud asked Mr. Monsour to moor the boat properly. The Board was not aware of any unsafe mooring nor has it granted permission for the houseboat to be moored in the slip of BH #2, and the Board has not sought legal action to remove the boat. This should not be construed that the Board has granted permission for the houseboat to be moored in the Harbor. There is a legal process to remove a person's property and even with the sunken and salvaged boats there is a process to get them removed from the Harbor. We are taking Mr. Monsour and his word that the boat will be removed, and it's in everyone's best interest. We ask that Mr. Monsour make every effort that the houseboat is moored properly and properly cushioned. Mr. Monsour said that he will make every effort to get the vessel removed and he is willing to abide by the rules and regulations. The Board needs to establish a hard deadline one week from May 9, 2017 for the removal of the vessel, and Mr. Monsour could rent space at the Orleans Levee Board's dock on the New Basin Canal.

Mr. Halpern offered the following Motion: "That action be taken by Mr. Monsour by Tuesday, May 16, 2017 to remove his houseboat from the Municipal Yacht Harbor." The Motion was seconded by Mr. Lightfoot and all Board Members voted in favor of the Motion. Mr. Tureaud thanked Mr. Cuccia and Mr. Monsour for their comments.

Adjournment:

New Orleans Municipal Yacht Harbor Management Corporation
Regular Board Meeting of May 9, 2017

On a motion by David Halpern and seconded by Connie Uddo, the meeting was adjourned at approximately 7:15pm.

Date and Time of next meeting:

The next meeting is scheduled for Tuesday, June 13, 2017 at 6:30 p.m. at the Lake Vista Community Center.