

New Orleans Municipal Yacht Harbor Management Corporation

MINUTES OF THE BOARD OF DIRECTORS MEETING

January 14, 2013

6:30 p.m.

First Baptist Church, 5290 Canal Boulevard, New Orleans, Louisiana

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

Board of Directors Present:

Ashlyn Graves
Shannon Sims
David Halpern
Reginald Smith
Connie Uddo
Thomas Forbes
Warner Tureaud

Board of Directors Absent:

Alva See

A quorum was present.

There were no amendments to the agenda.

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

On a motion by David Halpern, seconded by Connie Uddo, and unanimously carried, the minutes from the regular meeting of December 10, 2012 were approved.

Action Items:

1. Mr. Tureaud stated that we all desire to restore West End's ability to provide activities on a full-time basis and there is an opportunity to make the West End experience better and more inclusive for everyone. With the creation of the Community Sailing Center, students, physically challenged individuals, and other members of the community will enjoy West End like never before. Mr. John Manard, President of Community Sailing New Orleans, Inc., addressed the Board and stated that the concept of having a Community Sailing Center being part of the venue of West End has been in the works for some time. Several objectives include teaching youths as well as adults sailing along with water safety, improved access to Lake Pontchartrain, and reduced boat rental rates for anyone who desires to utilize the facility. There are plans for an adaptive sailing program which will provide access for physically challenged as well as autistic individuals to be able to participate in activities. There will also be high school sailboat racing competitions.

Let the record reflect that Mr. Reginald Smith had obtained an opinion from the office of the attorney general of Louisiana stating that he can concurrently serve as a member of the Board of Directors of MYHMC and as a member of the Board of Directors of Community Sailing New Orleans, Inc. Mr. Smith stated that he has not participated in any and all discussions with respect to the proposed lease between MYHMC and Community Sailing New Orleans, Inc. Mr. Smith also stated that he will abstain from voting on this Resolution.

On a motion by David Halpern, seconded by Thomas Forbes, a resolution was adopted authorizing the execution of a lease with Community Sailing New Orleans, Inc. Board Members Ashlyn Graves, David Halpern, Connie Uddo, Warner Tureaud, Shannon Sims, and Thomas Forbes voted in favor of the motion and Reginald Smith abstained from voting.

2. On a motion by Ric Smith, seconded by Ashlyn Graves, and unanimously carried, a resolution was adopted approving a Professional Services Agreement with Burglass & Tankersley, LLC.
3. On a motion by Ric Smith, seconded by Thomas Forbes, and unanimously carried, a resolution was adopted authorizing the opening of a Special Expense Repair Escrow Account with Capital One, N.A.
4. The appointment of the Nominating Committee was discussed by Mr. Tureaud. The MYHMC By-Laws state that annually the President shall appoint a Nominating Committee consisting of four Board members. Ashlyn Graves, Vice-President, will chair the committee consisting of Ashlyn Graves, Reginald Smith, Thomas Forbes, and Shannon Sims. A report will be given at the February Meeting and an election will take place at the March Meeting.

Information and Discussion Items:

1. Mr. Tureaud discussed the Administration Building. As per a conference call last Friday afternoon (January 11, 2013) with Miguel Viteri and Chris Keesling, the City Attorney's office is in discussions with Precision Construction's attorney. Precision Construction had a subcontractor who walked off the job that did electrical, plumbing, and mechanical work.
2. Mr. Tureaud discussed the FEMA update. In reference to West End Park, non-electrical work has been completed and the Department of Public Works will be taking over the repairs to the lighting. In reference to the boathouses, MYHMC had a meeting earlier with the Rules and Standards Committee and approved plans for boathouse #31 and boathouse #93 together as a package. Under the new rules and requirements from the City, the office of Inspector General has to review all plans and specifications prior to advertising for bids. A pre-bid conference has been scheduled for early February. In reference to the fishing pier, the coastal use application is in process. Restroom structure at the boat launch is required to be constructed at the +17msl to meet the base flood requirement. The Board of the MYHMC will need to discuss if an elevator should be installed, or should Capital Projects apply for a waiver from the ADA requirements since there will be an ADA compliant facility at the administration building.
3. The Financial Report was presented by Ric Smith. The harbor has total assets to \$3.2 million of which \$3,070,000 is in the form of cash. This amount is offset by liabilities of \$1,056,000 primary of which is \$505,000 for the long-term NOAA bonds. In addition, there is \$96,000 worth of accrued interest since MYHMC has been in deferment on those bonds. Refundable deposits on the boathouses leases total \$365,000. Unrestricted net assets are \$1,147,000 with temporarily restricted assets of \$1,140,000. Total income for 2012 was \$571,000 and operating expenses were \$745,000. Therefore, the operating income was a loss of \$175,000. An insurance settlement for the fire boat was received by MYHMC which yielded \$110,000 in cash. For the 2012 year MYHMC showed a net loss of \$98,000. MYHMC is operating at a loss with a finite amount of money.

In reference to the write-off policy, Wayne Bloom has spoken to the finance department and Inspector General's office. The City currently does not have a write-off policy which could be utilized with respect to items that are on MYHMC's books. The auditor for MYHMC has established a reserve for bad debt. The chief accountant in the finance department told Mr. Bloom that MYHMC should develop and adopt a policy with respect to write-offs. A write-off policy will be developed and presented to the Board.

4. Market Study - Recreational Wet Boat Slip Rental Rates and Slip Sizes: Copies of the Summary Appraisal Report by Henry W. Tatje, III, MAI were presented and distributed to the Board by Mr. Casey. The Market Rent in an "As Is Condition" ranges from \$2.00 to \$2.50 per linear boat foot per month. Market Rent in an "As Renovated/Reconstructed Condition" ranges from \$5.00 to \$5.50 per linear slip foot per month for 30 foot slips and \$6.25 to \$6.75 per linear slip foot per month for 70 foot slips.
5. Mr. Casey presented the Executive Director's Report. There were five topics: 1.) The revision to Section 170-645(3.11) city code known as "The Boathouse Ordinance" was approved by the Governmental Affairs Committee and was passed by the City Council last week; 2.) The Audit for 2012 will start on January 28th; 3.) Repairs to the finger piers damaged by Hurricane Isaac have been delayed due to the weather. The Inspector General's office has visited the harbor as a result of complaints filed with respect to the Isaac damages. Mr. Bloom and I have met with the investigators and they are aware that a contractor will be starting in the near future; 4.) The MYHMC staff has been cooperating with Thomas McEachin with respect to a public records request; and 5.) The February board meeting will be moved to Monday the 18th due to Mardi Gras on the 12th.

Other Comments and Issues from the Public:

None.

Adjournment:

On a motion by Ric Smith, seconded by Shannon Sims, the meeting was adjourned at approximately 8:10pm.

Date and Time of next meeting:

The next meeting is scheduled for Monday, February 18, 2013 at the First Baptist Church.