

New Orleans Municipal Yacht Harbor Management Corporation

MINUTES OF THE BOARD OF DIRECTORS MEETING

March 20, 2018

6:30 p.m.

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

The meeting was called to order at 6:34pm and requested a roll call by Ashlyn Graves.

Board of Directors Present:

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

Board of Directors Absent:

David Halpern

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 Ashlyn Graves and the motion was unanimously carried.

On a motion by Ashlyn Graves, seconded by Howard Rodgers, and unanimously carried, the minutes from the regular meeting of February 20, 2018 were approved.

Action Items:

1. Mr. Casey distributed the Resolution (along with the Legislative Auditor's Questionnaire) adopting the Louisiana Compliance Questionnaire for the 2017 Audit that MYHMC is required to provide to the audit firm. MYHMC has a new audit firm (Ericksen Krentel, L.L.P.) this year that is mentioned in the resolution. This year, the audit firm wants the President, Secretary, Treasurer and the Executive Director to sign the last page of the questionnaire. The form is identical to what MYHMC has provided in the last several years. This form is not furnished to the Louisiana Legislative Auditor, but to the audit firm for their file to be in compliance with the State rules and regulations. There are no new questions on the form, and there are a lot of questions that do not apply due to the fact that the form is used for a variety of different entities such as fire districts and school boards. Mr. Tureaud commented that he often stops by the office, and that the audit firm was on site working with Mr. Casey and Mr. Bloom and that they are a very professional organization. Mr. Casey said that Ericksen Krentel has completed the field work at the MYHMC Office, and that they are now working on several items at their office. Mr. Bloom did a great job as usual of getting everything together for the audit firm based on a list of items that they provided. It is a time consuming process to assemble the material, and they seemed to be satisfied with everything that had been provided to them. Mr. Smith commented that Mr. Casey had distributed the Resolution and the Questionnaire to the Board Members last Friday so that they would have time to review it prior to the Meeting.

On a motion by Ric Smith, seconded by Alva See, and unanimously carried, the Resolution "Adopting the Louisiana Compliance Questionnaire for the 2017 Audit" was approved.

2. Ms. Graves stated that a Nominating Committee Report was included in the Board Member's packet and it is as follows:

President: Warner Tureaud
Vice-President: Ashlyn Graves
Treasurer: Ric Smith
Secretary: David Halpern

Ms. Graves said that the nomination process is an open one, and she asked if there were any nominations from the Board Members.

On a motion by Howard Rodgers, seconded by Thomas Forbes, and unanimously carried, "Election of Officers" as recommended by the Nominating Committee was approved.

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 February, and consequently MYHMC did not receive any boathouse transfer fees.
2. The FEMA Update was presented by Mr. Tureaud, and he stated that FEMA has committed the funds to the City for the reconstruction of the Harbor. Mr. Smith said that although the City anticipates having a construction contract in place by April 10th, the City's Capital Projects Administration (CPA) has not been able to provide a construction start date due to the fact that CPA is working through a number of technical issues with the contractor. Ms. Graves said that CPA and the contractor (TKTMJ, Inc.) will make a presentation and answer questions with respect to the Redevelopment of the Harbor at the April 10th Board Meeting. Mr. Tureaud said that he would like to thank the Board for having patience with and confidence in the FEMA Claims Committee to represent the Board on this very important matter. When the City and MYHMC first started the Claims process, FEMA offered an award of \$2 million dollars which has gradually increased to approximately \$24 million dollars. Unfortunately the resolution of the Claim has not been a quick process, and it has taken a lot longer than anyone could have imagined. If the City would have settled for either the \$2 million or \$10 million dollar offer from FEMA, MYHMC would have ended up with a partially repaired facility that would have been extremely difficult to maintain. He thanked the Board Members for their patience and the Committee Members along with Mr. Casey for their efforts working with CPA to resolve the Claim. When the redevelopment of the Harbor is complete, MYHMC will have a facility that will serve the whole West End Community for years to come. Mr. Smith said that the people with CPA who have worked with MYHMC to resolve this Claim have been very diligent. Mr. See thanked Mary Cunningham and especially Councilmember Susan Guidry who has been involved throughout the FEMA Claims process. Mr. Tureaud said that it was Councilmember Susan Guidry who fought for MYHMC to be able to participate in the meetings.
3. The February Financial Report was presented by Mr. Smith. As of February 28, MYHMC has total assets of \$3,595,000 with current assets of \$3,588,000 and the bulk of which is in the form of cash of \$3,500,000 in two accounts at JPMorgan Chase Bank. On the liability side, MYHMC has total liabilities of \$1,047,000 of which \$542,000 is current liabilities, and the bulk of that is accrued interest on the NOAA bonds of \$308,000. The long term liability of \$505,000 is the balance on the NOAA Bonds. That leaves MYHMC with a fund balance of \$2,548,000 of which \$1,447,000 is unrestricted net assets. For the month of February total income was \$54,000 and operating expenses were \$48,200 such that ordinary income was \$6,000. Net other expense for the interest accrual on the bonds was

New Orleans Municipal Yacht Harbor Management Corporation
Regular Board Meeting of March 20, 2018

(\$3,500), such that MYHMC's net income was \$2,500 for the month. For the year-to-date, MYHMC had revenues of \$108,000, operating expenses of \$97,000 which yielded \$11,000 in operating income. Net other expense was (\$7,000) such that net revenue for the year-to-date amounted to \$4,000.

4. The Economic Redevelopment Committee Report was presented by Howard Rodgers. Last month, the MYHMC Board heard from the RPC with respect to the conceptual study that they performed. The Committee wants to work with both the outgoing and the incoming administrations. There are no additional items to report at this time.

5. Executive Director's Report was presented by Mr. Casey. There were six topics:
 - 1.) The reconstruction of West Roadway by the Orleans Levee District started on Monday, March 5th. The construction duration is estimated to be 240 calendar days;
 - 2.) Joe Valencino with Burglass and Tankersley is in the process of drafting a proposed settlement agreement with respect to boathouse #127 and he has had several discussions with the attorney for Bank of America;
 - 3.) MYHMC has received approval from the State Office of Facility, Planning, and Control for the City to award the construction contract for the West End Breakwater Drive Boat Launch to Ashley Savarino Unlimited Construction, LLC. A construction contract has been prepared and it has been entered into the City's Electronic Contract Management System (ECMS). It is currently going through the City's routing and approval process;
 - 4.) The 2017 Financial Audit with Ericksen Krentel is in process;
 - 5.) The following is an update with respect to Sewage and Water Board's sewer collection line along the North Roadway floodwall. Both segments of sewer line (totaling approx. 850') have been video inspected and both are good candidates for lining using an internal structural liner. The liners have been ordered and should be delivered late this week. The lining work will be done in two phases. The first phase involves lining the main sewer pipeline in both segments. Work should begin no later than Monday, March 26th. This phase of the work should take 1 to 2 days to complete. Sewer service to the boathouses will be disrupted for a few hours during the phase of the work. Boathouse owners will be notified before the work starts. MYHMC is working closely with Sewage and Water Board on this issue. The second and final phase of the work will begin immediately after the first phase is completed. It involves fortifying and/or re-establishing the short segment of pipe between the main sewer line and the pipe coming for the boathouse. This work is estimated to take 3 to 4 days. Sewage and Water Board is still working on the detailed engineering. It is important to note that it is the responsibility of a boathouse owner to connect their sewer line from the boathouse to the house connection on the main line in the event that it is not connected. Once the repairs are completed, Sewage and Water Board wants to discuss an annual inspection requirement by the boathouse owners; and
 - 6.) The Capital Projects Administration (CPA) is in the process of drafting a Cooperative

New Orleans Municipal Yacht Harbor Management Corporation
Regular Board Meeting of March 20, 2018

Endeavor Agreement (CEA) for MYHMC's payment to the City for the Hurricane Isaac 25% copayment.

Other Comments and Issues from the Public:

Mr. See asked if there was an articulated boot that could connect the pipe coming from the boathouse to S&WB's collection line such as a section of rubber that could prevent the line from breaking. Mr. Casey said that someone with S&WB mentioned that there is a fitting called an insert tee and it is one of the things that their engineering department is currently looking at in terms of a flexible connection such that the boathouse owners could connect to the reinforced 3 foot segment that comes off the main line. This would possibly allow for some movement like an articulated joint, and they are checking to see if that is the appropriate thing that can be used to solve the problem caused by either high water issues or objects that are floating under the boathouse.

Kerry Cuccia asked about notifying people about the award of the Harbor construction contract, the contractor, and dock manufacturer who will be here to answer questions at the April Board Meeting. He also mentioned the repairs on West Roadway and the raising of The Dip. He is concerned how that might impact the drainage on the portion of West Roadway adjacent to West End Park. Once they raise The Dip, that point may be higher than the portion of West Roadway between the park and the old parking lot as well as the lower portion of South Roadway. South Roadway has a ridge in it towards the South side of the road. He doesn't know if raising The Dip by two feet will raise it higher than the ridge on South Roadway. All the water might come flowing from where The Dip was. Additionally, the water coming off the driveway by the pump station is going to flow into the road, and it is going to flow to the low spot somewhere between the current dip and that ridge on South Roadway. The water kind of gets blocked by that ridge until it gets so high that it tops the ridge and starts flowing toward North Roadway. Is it going to flow through South Roadway and flood along the end of South Roadway? He knows that when you raise that, it will go somewhere and into the low spot. We should start to plan now for an emergency situation. The real low spot is at Breakwater Dr. and the north side of North Roadway. We should think of implementing a plan to get around what might become a flooded area. We shouldn't wait to get stuck there to come up with a plan. It wouldn't take much to open the gates to the parking lot and to let traffic go through that area. Mr. Tureaud said the area north of that intersection is another low spot on Breakwater Drive. It's adjacent to the park between North and South Roadway. There is concern for the southern end of South Roadway. Mr. Tureaud said that MYHMC is concerned about the situation. Mr. Cuccia said if the water flows from The Dip towards the Lake, the first place it will go is East on South Roadway, but the water also comes from there because it comes up through the drains. When that starts to flow from the drains, then it's going to come over the ridge and completely flood that middle area.

New Orleans Municipal Yacht Harbor Management Corporation
Regular Board Meeting of March 20, 2018

Mr. Casey said in the fall when we had that 3.5 foot tidal surge, there was water over the curb in front of the MYHMC office on North Roadway when South Roadway had no water on it. Although there was water that was coming up from the drains that drain into the Orleans Marina, it was back flowing around Sintes Boat Works back into West Roadway. There should be an emergency access and get DPW involved. When the 3.5 foot surge occurred, water was flowed into the area of West Roadway between the park and the old restaurant parking lot. It was coming in from the north-south axis of Breakwater Drive. That is why a lot of the water was filling up that area.

Warner Tureaud asked Mary Cunningham if she could speak with DPW and ask them to preliminarily take a look at the streets in the area. They know what's coming and can easily get the construction plans of West Roadway from the Orleans Levee District and they know that a 1.5 foot increase in the elevation of the road is in process. Access for emergency purposes is needed for the area and DPW might be able to assist to see what they think the adverse effects might be and what could be worked out.

Mr. Casey said with respect to raising "The Dip" on West Roadway, he has been told that the "temporary" pump where they put the sump basin and sump pump in that low area of "The Dip" will remain as part of the job. Although they are raising that area, it is still going to be a low area relative to the elevation of South Roadway and the road going up to the levee such that it will still continue to be a low point where the pump is where the grate is in the street. Mr. Casey said he was told that although the road is being raised, it is still going to be a relatively low spot compared to South Roadway. There are limitations of how far up they can raise the roadway, and that's why they are going to keep the pump in place so that when there is a high tide and the flap gate is closed on a discharge line, they will have a pump to be able to pump out rain water that will still collect in that area. Although the water may not be as deep as it currently gets now, the rain water will still have to be pumped out. It will remain as collection spot for water from rainfall. When there is a 3.5 foot tide in the Lake, water will continue to pond on North Roadway in front of the MYHMC Office due to the fact that North Roadway is lower than South Roadway. Mr. Cuccia said that the high spot on Breakwater Dr. is right about where you enter the Boat Launch.

Mr. Casey said that as a result of the drain lines that run from those parking offsets on Breakwater Drive, the water backs up on the road when there is a high tide. Mr. Cuccia said we should have a stop valve and when the lake goes down, just open it. Mr. Tureaud said that idea makes sense. MYHMC would like to be proactive and come up with a plan. Mr. See is very interested and he could do some drainage drawings.

Brady Skaggs with Lake Pontchartrain Basin Foundation advocates for an annual inspection of the boathouse sewer systems. There are unique circumstances that boathouses have that are different from anywhere else in New Orleans. The sewer lines of the boathouses have UV exposure and they are subject to wave action

New Orleans Municipal Yacht Harbor Management Corporation
Regular Board Meeting of March 20, 2018

since they are built right on top of the water. If you have a raised house or raised dwelling that's set aside, usually that homeowner is aware that his property is in a state of disrepair due to the fact that material is dripping on their head and cars that are parked underneath. This is a very unique set of circumstances, so we would be willing to help drafting any recommendations or guidelines for an inspection program.

Mr. Cuccia said this is a good idea. He talked with Mr. Casey a couple of years back about what to do. His personal preference would be rather than place the responsibility on each boathouse owner to have the inspection performed, MYHMC could take it upon itself to have an inspection done at least once or twice a year by a contractor and then pass that cost long to the boathouse owners. Mr. Casey said that several years ago, a plumber had given an estimate of \$200.00 per inspection but he has retired. Mr. Cuccia said that is nominal cost and in the long run it benefits everyone. If my pipes are broken, I am not the only one suffering. Mr. Tureaud said if we had one inspector come out and do the entire boathouse community and maybe we can even get Non-Flood to join in with us. Mr. Cuccia said he would strongly support that and he can get enough people on board. He said we should have MYHMC pay the fee and collect it from the owners. Mr. Tureaud asked Mr. Forbes if he can chair a Committee to get this up and running to look at the feasibility as the regulatory authority, MYHMC might be better suited if it were to do it. How MYHMC can impose the cost that might be considered as a tax without their permission, although there is a contractual lease agreement is one question. The other question that Mr. Tureaud had for Mr. Cuccia was if he thought that he could sell it without a whole lot of pushback from the boathouse owners. We don't want to sue you to do it, because that's not what we are looking to do. Mr. See mentioned the possibility of the Board and the City being hit with EPA violations. Mr. Tureaud said that he will leave that with the legal people to decide. He asked Mr. Forbes to meet with Mr. Cuccia and see what they can draft and to include Mr. Brady in the conversation. He thinks it's an excellent idea, and he applauded Mr. Cuccia with the willingness of the boathouse owners to tackle this sooner than later.

Adjournment:

On a motion by Alva See and seconded by Howard Rodgers, the meeting was adjourned at approximately 7:35pm.

Date and Time of next meeting:

The next meeting is scheduled for Tuesday, April 10, 2018 at 6:30 p.m. at the Lake Vista Community Center.