

*New Orleans Municipal Yacht Harbor Management Corporation*

**MINUTES OF THE BOARD OF DIRECTORS MEETING**

**November 13, 2018**

**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  
Alva See  
Connie Uddo  
David Halpern  
Thomas Forbes  
Reginald Smith

**Board of Directors Absent:**

Warner Tureaud  
Howard Rodgers

**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 David Halpern and the motion was unanimously carried.

On a motion by David Halpern, seconded by Thomas Forbes, and unanimously carried, the minutes from the regular meeting of October 9, 2018 were approved.

**Action Items:**

1. Mr. Casey said as you may recall last year for the 2017 Audit Year, MYHMC made a change from Wegmann Dazet to Ericksen Krentel to get a rotation of audit firms. Ericksen Krentel provided a price of \$11,800 per year for the standard financial audit for a three-year time period. The State Legislative Auditor has made some additional requirements of audit firms that are noted in the proposed Resolution as additional Statewide Agreed-Upon Audit Procedures (AUPs). In discussions with the audit firm, there is an additional cost of \$3,100 to perform the AUPs for the 2018 Audit Year. This is basically an additional audit to review MYHMC's financial/accounting procedures and go through a very detailed questionnaire required by the Legislative Auditor.

Ric Smith made a comment that it is a State requirement that has been added to the Financial Audit that they need to certify to as part of their audit, and it is an extensive amount of additional detail and documentation that takes time to perform. Although all of the AUPs are required to be reviewed in the first year, fortunately they are allowed to rotate them in subsequent years such that the additional cost should be lower in future years. MYHMC was pleased with Ericksen Krentel's work last year, and it is a good policy to rotate auditors periodically. Ericksen Krentel will be in their second year of performing the audit, and I would recommend approval of this Resolution.

Ms. Graves asked if there were any additional questions from the Board.

On a motion by Ric Smith, seconded by David Halpern, and unanimously carried, the resolution "Authorizing the Execution of a Contract with Ericksen, Krentel, L.L.P. to prepare the 2018 Financial Audit" was approved.

**Information and Discussion Items:**

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1. Boathouse Lease Extensions and Transfers were discussed by Mr. Casey. There were no boathouse transfers or lease extensions in the month of October.
2. The FEMA Update was presented by Mr. Casey. The demolition of the East side of the Harbor is virtually complete. The dead man system and tie backs are currently being installed to connect to the new bulkhead at the edge of the parking lot. The dredging of the Harbor entrance is progressing and it is anticipated to be complete in early December. The City's Purchasing Department has issued an intent to award a contract to BATCO Construction for the Administration Building. The construction contract is currently going through the routing process.
3. The October Financial Report was presented by Mr. Smith. As of October 31<sup>st</sup>, MYHMC has total assets of \$3,689,000 with current assets of \$3,684,000 and the bulk of which is in the form of cash of \$3,554,000 in two accounts at JPMorgan Chase Bank. On the liability side, MYHMC has total liabilities of \$1,121,000 of which \$616,000 is current liabilities, and the bulk of that is accrued interest on the NOAA bonds and unearned revenue on leases that have been prepaid. The long term liability of \$505,000 is the balance on the NOAA Bonds. That leaves MYHMC with a fund balance of \$2,568,000 of which \$1,944,000 is unrestricted net assets. For the month of October, total revenue was \$56,000 and operating expenses were \$54,000 such that net ordinary income was \$2,000. Net other expense was (\$3,000), such that MYHMC's net income was (\$1,200) for the month. For the year-to-date, MYHMC had total revenues of \$585,000 and operating expenses \$517,000 which yielded \$68,000 in operating income. Net other expense was (\$34,000) such that net income for the year-to-date was \$33,000.

Mr. Smith said that concluded his report and asked if anyone had any questions.

4. The Economic Redevelopment Committee Report was presented by Mr. Casey. A meeting was held on Thursday, November 8<sup>th</sup> at the Regional Planning Commission's Office with representatives of the City, Jefferson Parish, and the State Land Office to discuss the need for the introduction of a local bill in the next Legislative Session. This would be required for the City, Jefferson Parish, and the State Land Office to enter into a Cooperative Endeavor Agreement (CEA), with respect to developing a RFP for the leasing of the old restaurant parking lot. Mr. Kerry Cuccia was also in attendance at the meeting. There were a number of other things that were discussed including Jefferson Parish's desire for the reconstruction of the foot bridge across the 17<sup>th</sup> Street Canal once that the temporary pump station is removed.

Ms. Graves asked if there are any other questions from the Board.

5. The Environmental Quality Committee was discussed by Mr. Forbes. Although there are no new items, the Board encourages the boathouse owners to be vigilant

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about plumbing systems in particular. If there is an opportunity when the Lake is low enough to do an inspection, to consider hiring a plumber to take a look. The Board has a set of standards in place for boathouse transfers, as well as renovations and major construction and those will be a good guideline to use. It is entirely practical to team up with several owners at the same time and maybe some economies of scale can be achieved. That is what I have at this point.

6. The Quality of Life Committee was discussed by Ms. Uddo. Ms. Uddo said that she has nothing to report, but that Mr. Kerry Cuccia may have several items to discuss. Mr. Cuccia mentioned that it would be a good idea if the Committee started to try to pick off some of the easier items such as trash receptacles along Breakwater Drive from the last boathouse to the "Point" as opposed to tackling everything at one time. We had also talked about cleaning up that last section of Breakwater Drive past the boathouses towards the "Point" because there is a lot of growth there now in addition to trimming the palm trees. It would be good to find a way to place a number of receptacles/garbage cans along there so that people would be able to place trash in them. I know that somebody put a sign up down by the "Point" to throw the trash into the dumpster. Mr. Casey said that MYHMC had done that. Mr. Cuccia said "to an extent I think that works out, but around the edges of the road people dump trash." Along that stretch that I am talking about where people park, there is no place for them to throw the trash other than in their car or on the ground, so you know where it's going. If we can start to place some receptacles maybe with some signs, but first we've got to clean up the area. There is no question to get into this broken window syndrome. If it looks trashy, people are going to treat it that way. If it looks neat, it is going to look fine. The landscaping group, the grass cutters – I don't mind being critical, we begged them two years ago to get ahead of this stuff early in the spring. It was a natural forest. At the end of the year, they did a beautiful job of cleaning it up. This year, they have done half a job of cleaning it up, so we have a lot of growth that I think we need to look at. They need to clean up the growth in that 300 to 500 feet distance toward the Point, and figure out how many trash cans could be installed along with some signs installed on posts and try that as an idea. So that is what we talked about and I brought these pictures as a common example. This is probably the cheapest alternative and we can strap them around the telephone posts. People may steal them or maybe they won't. The other thing that was brought up by several boathouse owners, has to do with West End Park and North Roadway. The efforts have been pretty effective about trying to clean up the trailers and trash boats that were parked along there. Some of them are gone, but some of them have just moved farther down the road and I will show you some pictures. Every one of these boats and trailers are illegally parked on a City street, which I think if that's the case most of them are derelict. Some of these trailers are parked on the grass and others are parked near the intersection and the stop sign. This is a vehicle on a trailer illegally parked on a street, and the City should put a tag on it, tow it, and get it out of there. I don't care who it belongs to. They should not be there and all they are doing is creating an eyesore as Barry pointed out. It is the

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little things that we can do to get that trash out of the way. Mr. Cuccia said that he does not understand why we can't get the City to tag and tow vehicles that are illegally parked on the streets. Mr. Casey said that MYHMC has sent numerous emails to the Parking Administrator in the Department of Public Works concerning the abandoned trailers and boats on the streets around West End Park. We had met with him in the field and unfortunately they have not tagged or towed the abandoned trailers and boats. One of the members of the NOYC Board has also attempted to track down owners of the abandoned boats and trailers. Mr. Cuccia recommended that MYHMC contact Councilman Giarrusso's Office to ask for assistance to have the illegally parked trailers tagged and removed from the area.

Mr. Cuccia said that he thinks that West End Park is a beautiful park, and that there are two things that we can think about doing that will greatly enhance the appearance of West End Park. One of them is very simple which would be the removal of the palmettos that are growing right next to the oak trees. I think that if we can cut those down and keep the area clean, it would make a tremendous improvement to the appearance of the park. The other thing is a little more difficult. The pond on the Eastern end of West End Park is now completely surrounded with some kind of tree growing on the banks. I think years ago that either the Board or The Friends of West End looked at the cost to remove the trees and to restore the pond. Mr. Cuccia said if you look at the pond, all of the walkways in the park come to that circle where there are a bunch of benches set around the park like at 3, 9 and 12. They are useless and nobody sits on them due to the condition of the pond. If the pond was cleaned up it would be a very attractive thing, and I think this a nice kind of thing to start thinking about. Mr. Casey mentioned that the pond is gravity fed from the New Basin Canal as well as the Harbor such that the water level is affected by the Lake level. Ms. Uddo said she that she has some volunteer college kids coming to New Orleans in December, and she thought about trying to tackle the removal of the trees around the pond. She has looked at the situation, and the problem is that most of the trees are too large to cut and remove with the equipment that she has. Mr. Cuccia said that he doesn't think we should ask volunteers to do this type of work. Although MYHMC needs to watch its funds, the cutting and removal of the trees should be done by a professional service. Mr. Cuccia said that he understands and in the grand scheme of things we are not talking about difficulty or anything too expensive. The last part of Breakwater Drive I think really goes hand in hand with trying to get the trash pulled out and the area cleaned up. I have photographs of that one time when they finally did after six months come out and did real cleaning up of everything. Mr. Smith asked Mr. Casey about the FEMA project for Breakwater Drive and if it will affect the area from the last boathouse to the Point. Mr. Casey said that it will affect that area to the Point. Mr. Smith said that he thinks a lot of things are going to get torn up at that stage in the game due to the construction of the breakwater adjacent to the road. Mr. Casey said that the plan is to construct a sidewalk around the Point and to place a green space in the center of the Point. With respect to trash pickup, Mr. Casey said that the minimal cost for trash containers maybe with Metro Disposal that picks up the cans around

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West End Park since MYHMC currently does not have any field employees available to pick up trash containers. Any contractors that MYHMC would use to pick up trash are required to have workers compensation insurance.

Ms. Uddo asked if that was all of the comments from the Quality of Life Committee. She thanked everyone and said those were good suggestions.

7. Executive Director's Report was presented by Mr. Casey. There were three topics: 1.) MYHMC has worked with Southern Yacht Club to relocate boats to the West side of the harbor from the wet slips that SYC leases from the Corporation in order for the contractor to install the tied-back system; 2.) Staff is continuing to update the MYHMC web site; and 3.) Boat Launch construction is proceeding. High lake levels have created problems for the contractor and some delays and days we they can't work.

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

Mr. Cuccia had a couple of comments about the dredging issue. He said he knows that the Board has every intention of trying to make things right. He feels like talking about things and saying things don't work always work as much as seeing things. He put together a few pictures of what the grassy area of Breakwater Park looked like in 1997 when he bought his boathouse. This is directly across the street from my boathouse. It is mostly rocks and very little grass. The next picture shows what that same area became after the boathouse owners took the initiative of trying to clean up some areas. I personally bought three pallets of grass and planted it out there and watered it. You can see where the posts that went up to help keep cars off of it. After several years that is what it looked like. It does not become like that on its own. If you turn to the third picture and look at the area to the East, and you will see the area near the end further down where we did not bother to rope it off, and try to preserve to get the grass growing. You see the hard pan and the rock. It doesn't just happen on its own. I want to show you another picture of what that looks like today. What I call the dredging machine or the sorter. It's doing a wonderful job. It's doing everything that it was promised to do from preventing and smell from the dredge material to drying it out. It's doing a wonderful job, but you can see what's taking place with the moving of the equipment and everything else, that green space is being destroyed and it's going to get worse. And unless this Board begins to think about some aggressive remediation, this is why I am talking about it, because it seems like when I get in meetings with the City and talking about what is going to be the plan to help repair when everything is done, it is grass and will grow back. It will grow back thirty years from now as long as no one drives over it. This Board has the responsibility and should want to be doing something to fix it, and unless you appreciate what's going on and that's why I'm bringing this to you. There is no way for you to understand the scale and nature of what is going on there.

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Someone asked why is that not in the contract for anything that they mess that they have to put back like they got it. Mr. Casey said he mentioned to Kerry with a conversation with Capital Projects is that landscaping is not covered under the FEMA claim, but remediation from the standpoint of erosion control is allowed. And so that is all part of the reworking of the park. The material that is being deposited there, their overall plan is for that material to be used in the Breakwater Park area in the grading and the concrete rip rap berms that will be built.

Kerry said from the meetings that he was in, that was their representation. Yes, they said they don't have landscaping. And I am not talking about landscaping. I am talking about remediation. They were talking about erosion control in the meeting that I was in in the couple of meetings that I was in that sidewalk that is planned to go on top of the berm that they are going to create. If you call it a sidewalk there will be no funding for it, but if you can call it erosion control because now if any water splashes over it is going to be hitting concrete instead of the ground. The plan was "Yes, we are going to spread the mud and the grass will grow." No, it's not going to grow. It may come back and potentially these wild weeds and stuff that is unmanageable virtually and overtime. I just think that, I understand and I trust that no one has given me to my satisfaction that grass will grow back in this area.

Mr. Halpern made a comment that in the contract, typically if there is something that they broke or changed, they will have to put it back in the same condition of what it was when they first found it. And if in fact this space was green and looks good, why would they not have the obligation to do this under the contract. Mr. Casey said he was told it's a FEMA requirement as to what they can and can't spend money on from the standpoint of the contract that Capital Projects has. Don't you appreciate that Ric from the discussions that we've had. Mr. Smith said from the last meeting I know that there was a specific discussion about grass being reinstalled, and the question was whether it and what would be done is what they are doing on the levees which is a sprayed on hydro-seed. I am just telling you what I directly heard and Miguel thought that perhaps a contractor might be induced to do sodding, but again there is nothing written down about this. It is a discussion but whether they do it, or the Yacht Harbor Corporation needs to do it when it is all finished. Somebody is going to end up doing it, because we don't want that to be and all the stuff that we had been arguing about for so long I mean, you know, getting posts put in and getting chains put in which you have spent an awful a lot of time, and I feel your frustration. I don't think we are going to consider the project finished until that stuff is done, and that's made to look nice again, and so I am relying on the City because they control the project, but if the City doesn't do it, then we are going to have to figure out a way to do it

Alva See asked a question and suggested if Ric can help with it. Does Capital Projects have any consideration for any kind of irrigation system to maintain the erosion control system that they are putting in? Mr. Smith said, "No, I have not heard anything about that and that would be startling if they had that in it. Mr. See asked, "Can we inquire because that's what needs to be done?" Mr. Smith said

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they don't have irrigation systems on any of the new levees that they have put in around the pump stations or anything else. They put in a type of grass that is just really hardy. Mr. Smith said, "But I mean, when the grass itself grows, it seems to do just fine in this climate. I am not an expert, but we have a construction meeting this week and I will specifically ask the question as to "Will there be grass planted in this area and I will report back to you."

Mr. Cuccia made a comment that hydro-seeding does not work very well and it takes a long period of time for grass to get established. When you mention the levees, just look along Hammond Highway in Jefferson Parish. They hydro-seeded the area when the levee was raised and they had to go back and install sod along with a temporary irrigation system. Mr. Cuccia said that when he installed sod he went out put a sprinkler until the sod took. Although the area gets a lot of water and grass will grow there, I just think that we are going to need as much help as we can get. Fortunately it's not as large of a footprint as was originally planned.

Mr. Smith said that he going to confirm at the meeting on Thursday that grass of some kind that is going to be put down. I know that this is probably not a good thing to say after you pointed out four things that we haven't done, everybody has been focused on get the Harbor finished and then you start doing all the niceties, but that day is coming and I haven't heard anybody on this Board and previous Boards ever not want to have that area look nice, and made sure the contractor was doing the best he could to keep the dredge material from being problem to you all, and he's living up to that. So let's proceed along and you can say "I told you so" if we don't do it somewhere along the line, but it may be a year and a half or two years but that's where we are heading. This is like "We won't have any trash until everything is finished. No, we have trash right now."

Mr. Cuccia said that he has one more set of photos. These are the dredge material piles. The first one is after it was going for several days. The second one is after it was going for a week. The third one was just after last week, which is three weeks and you may not be able to see the difference between the second and third week. I am not going to say that it doubled in size, but it growing much, much larger and it's going to keep growing because now I don't think that the plan is to spread the material. Mr. Smith said "I think the problem has been, and Taylor you can correct me on this. The whole idea was to dry this stuff out and put it in the pile and then spread it. We've gotten so much rain that the stuff that comes out is 95% dry and then gets soaked, and so the whole pile is now soaked and it is going to have to dry out from the rain." Mr. Cuccia said that you can see that some of the material has been spread, but I thought it was the engineer who said leave it in the pile and don't spread it. Mr. Smith said that he will ask about that on Thursday too. Mr. Cuccia said that this is an inconvenience that he understands has to be. He is not complaining no matter what he says, but it impacts him and his neighbors as opposed to some other people. Mr. Smith said that we are still a long way from the end, but everything I've seen the contractor do has been to try to

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accommodate everyone in order to get the job done, and not create anymore problems.

Ms. Graves asked if there were any more comments or questions from the audience.

**Executive Session:**

1. BAC Home Loans Servicing, LP, f/k/a Countrywide Home Loans Servicing, LP v. Richard A. Goldenberg ó Docket No. ó 7299, Civil District Court, Orleans Parish

A motion was made by Ric Smith, seconded by Alva See, to go into Executive Session. All Board Members voted in favor of the motion.

The Board came out of Executive Session, and David Halpern offered a motion to have counsel to file an action for eviction to take back the Goldenberg property in whatever court of jurisdiction that he needs approval as soon as recently possible, and that we ask for Mr. Casey to come up strategies to divest ourselves of that property in accordance with City and State law. The motion was seconded by Ric Smith.

Mr. Forbes made a comment about now that you are authorized to file suit, I assume we want to copy in the mortgagee so they will know that the deadline has passed and that we are basically telling them to pound sand because they are protecting their offer.

I assume you want Mr. Casey's report before next meeting? The answer by Mr. Halpern was "Yes, please. If you can get us something to look at like a super executive summary and nothing detailed. Just something like one page of bullet points in advance so that we can take a look at it and think about it." Mr. Smith mentioned securing and insuring the property. Another comment was "Anything you can do if you owned the property yourself." Mr. Forbes asked Joe Valencino "Do you propose to keep it sweet and simple and send the mortgagee a letter stating that the deadline has passed and enclosed is a courtesy copy of the notice." Joe Valencino said that the letter will state that enclosed is a copy of the eviction suit which has been filed.

Ms. Graves said that we have a motion by Mr. Halpern which was seconded by Ric Smith. A vote was taken, and all Board Members were in favor of the motion. The motion carries.

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**Adjournment:**

On a motion by David Halpern and seconded by Ric Smith, the meeting was adjourned at 7:55 p.m.

**Date and Time of next meeting:**

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