

New Orleans Municipal Yacht Harbor Management Corporation

MINUTES OF THE BOARD OF DIRECTORS MEETING

October 20, 2015

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 Ric Smith.

Board of Directors Present:

Howard Rodgers
Warner Tureaud
David Halpern
Connie Uddo
Reginald Smith
Thomas Forbes
Shannon Sims

Board of Directors Absent:

Alva See
Ashlyn Graves

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 Shannon Sims and the motion was unanimously carried.

On a motion by Shannon Sims, seconded by Thomas Forbes, and unanimously carried, the minutes from the regular meeting of September 8, 2015 were approved.

Action Items: None.

Information and Discussion Items:

1. Boathouse Leases and Supplemental Lease Agreements were discussed by Mr. Casey. The extension of the lease for boathouse #94 has been approved and recorded. The three (3) owners of the boathouses that had leases expiring in 2019 have been contacted by staff and all 3 owners have expressed interest in the lease extension. One of those boathouses had belonged to Mr. Brossette, who had been trying to sell his unit which has since been sold to a new owner. All three (3) boathouses should ultimately upgrade their lease to the 2068 lease such that MYHMC should receive lease extension fees from all three lessees. Mr. Casey stated that in the month of September, the leases of boathouses 19 and 60 (which were current on their lease payments) were transferred to new owners which generated \$15,720 in transfer fee income for the Corporation. Currently, there are twelve lessees who have not executed their option to extend their lease to 2068.
2. The FEMA Update was presented by Mr. Tureaud. The Marina Market Feasibility Study being performed by Moffatt and Nichol is underway. Michael Herrman with Moffatt and Nichol conducted meetings on October 6th and 7th with various stakeholders representing seven (7) separate groups including sailing and boating organizations, slip and boathouse tenants, along with marine industry representatives in the West End area who will be directly impacted by the reconstruction of the harbor. It is anticipated that M&N's draft report will be completed by the end of November or early December.
3. The September Financial Report was presented by Mr. Smith. MYHMC has total assets at the end of September of \$3.45 million dollars of which \$3.44 million are current assets and the bulk of that is \$3.3 million in the form of cash at Capital One Bank. On the liability side, MYHMC has a total of \$897,000 of which \$392,000 are current liabilities and the primary components are accrued interest on the NOAA bonds of \$201,000 and unearned revenue of \$62,000. Long-term liabilities consist of NOAA Revenue Bonds of \$505,000 which are in deferment. That leaves MYHMC with a fund balance of \$2.6 million of which \$1,458,000 is unrestricted funds. For the month of September total income was \$69,000 with ordinary expenses of \$58,000 yielding net operating income of \$11,000. Other expense totaled (\$3,000) consisting of accrued interest expense such that MYHMC had approximately \$8,000 in net revenue for the month. For the year-to-date MYHMC had revenue of \$561,000 and ordinary expenses of \$526,000 yielding ordinary income of \$34,000. Net other income of other expenses of accrued interest amounted to (\$30,000) such that net revenue for the year amounted to \$5,000. Mr. Tureaud asked if there was an update on the status of the NOAA Bonds. Mr. Casey

mentioned that he and Mr. Smith had recently discussed the issue, but that the Moffatt and Nichol report that is required to resolve the Harbor FEMA Claim had taken priority. Mr. Smith also mentioned that MYHMC was still waiting to see the result of the final resolution of the FEMA Claim with respect to the matching funds that MYHMC will ultimately have to provide in order to rebuild the Harbor. In the Bond Attorney's original analysis of the potential forgiveness of the bond debt, some assumptions were made with respect to the fact that the City would not receive a financial settlement from FEMA. Subject to the City's final settlement amount with FEMA, MYHMC may possibly be responsible for the repayment of the debt which currently totals approximately \$700,000 including accrued interest.

4. Economic Redevelopment Committee Report was presented by Mr. Rodgers. He spoke with Mr. Casey who is still waiting to receive information from Chad Dyer with respect to the restaurant parking lot. Mr. Tureaud requested that the Economic Development Committee include the future use or sale of Boathouse 31 within the realm of their Committee.
5. Mr. Casey presented the Executive Director's Report. There were six topics: 1.) Three (3) "5 MPH No Wake" signs have been installed in the harbor; 2.) MYHMC's Budget Hearing before the City Council will be on Tuesday, October 27th; 3.) Chad Dyer who has been assisting MYHMC, has been appointed the City's Director of Code Enforcement; 4.) Rebecca Dietz who has served as the Mayor's Executive Counsel will become the City Attorney on November 1st. And Suchitra Satpathi has been appointed to the position of Executive Counsel; 5.) Due to room schedule conflict, the November meeting will be held on Tuesday, November 17th; and 6.) The fishing pier is under design by Sizeler. Mr. Miguel Viteri with Capital Projects had received comments back from FEMA, and those comments have been forwarded to Sizeler.

Other Comments and Issues from the Board and the Public:

Mr. Tureaud said it is time for the Board to start thinking about the process to determine how to staff, operate and govern the renovated marina. The old marina had its own set of rules and it operated in a totally different time frame. Boats are different now due to advanced technology and it is necessary that MYHMC get a handle on a variety of issues. The Board should schedule a special meeting in the future to discuss how it wants the Harbor to look and to be maintained. There will be a need for the Board to set up some committees and subcommittees in order to address these issues. Mr. Forbes suggested that we may want to consult with operators of other marinas. Mr. Casey anticipates that the Moffatt and Nichol report will also assist the Board in this area by addressing future operational issues and will provide some specific recommendations.

Adjournment:

On a motion by Howard Rodgers and seconded by David Halpern, the meeting was adjourned at approximately 7:20pm.

Date and Time of next meeting:

The next meeting is scheduled for Tuesday, November 17, 2015 at 6:30 p.m. at the Lake Vista Community Center.