

NON-FLOOD PROTECTION ASSET MANAGEMENT AUTHORITY
FINANCE COMMITTEE MEETING MINUTES
THURSDAY, MAY 2, 2013 – 4:30 P.M.

The regular monthly meeting of the Finance Committee of the Non-Flood Protection Asset Management Authority was held on Thursday, May 2, 2013 at 4:30 P.M., in the Lake Vista Community Center, 2nd Floor, 6500 Spanish Fort Blvd., New Orleans, Louisiana after due legal notice of the meeting was sent to each Board member, the news media, and a copy of the call was posted.

Chairman Hoffman called the meeting to order at 5:09 p.m. and led in the Pledge of Allegiance.

The roll was called which constituted a quorum.

PRESENT:

Chairman William Hoffman
Commissioner Carlton Dufrechou
Commissioner Michael Stack

FURTHERMORE PRESENT:

Chairman Robert E. Smith Lupo

ABSENT:

Commissioner Stanley Brien
Commissioner Patrick DeRouen

STAFF:

Louis Capo - Executive Director
Sharon Martiny – Non-Flood
Dawn Wagener - Non-Flood
Fred Pruitt – Airport Director
Chuck Dixon – Marina Director

ALSO PRESENT:

Gerard Metzger – Legal Counsel
Al Pappalardo – Real Estate Consultant
Wesley Mills – DEI
John Holtgreve – DEI
Steve Nelson – Stuart Consulting
Ray Landeche – Lakeshore Subdivision

APPROVAL OF AGENDA

Commissioner Dufrechou offered a motion to adopt the Agenda, seconded by Commissioner Stack and unanimously adopted.

APPROVAL OF PRIOR MINUTES

Commissioner Stack offered a motion to approve the minutes of the March 7, 2013 and April 4, 2013 Finance Committee meetings, seconded by Commissioner Dufrechou and unanimously adopted.

NEW BUSINESS

- 1) **Discussion and approval to increase the ID/IQ contract with Stuart Consulting Group, Inc. in the amount of \$15,000 for Professional Engineering Services to cover the cost for Airport concrete apron repairs, Isaac – FEMA coordination and the Orleans Marina Guard House**

Mr. Capo informed the Committee total cost to date incurred with Stuart Consulting under the ID/IQ projects is \$99,018.00. Steve Nelson, Stuart Consulting Group, advised that an additional \$15,000 is needed for three projects (Airport concrete apron repairs, Isaac – FEMA coordination and Orleans Marina

Guard House) to cover additional costs through June 30, 2013. Most of the \$15,000 will be for these projects, but may cover additional costs for other projects as well. An additional project underway is coordination of the BIG Grant. The apron repairs are underway at the Airport and FEMA should be writing the FEMA/Isaac coordination project worksheet in the next few weeks.

Mr. Nelson advised that the additional funds for the Guard House are in addition to the \$8,000 previously spent. An additional set of designs were needed as the first guard house was elevated and the cost came in more than what the Authority could spend. Mr. Capo advised the first was \$64,000, but the Guard House was brought down a grade. Porta King quoted \$14,000 for a pre-fab guard house.

Mr. Nelson noted that \$20,000 was Isaac/FEMA work which should be reimbursable of the \$99,000. Some part of the \$15,000 will be Isaac/FEMA and reimbursable as well. The Guard House was a FEMA claim under Katrina for \$8,000 which the Authority received. The Authority is not jeopardizing a claim by building the Guard House below the base flood elevation.

Commissioner Dufrechou offered a motion to increase the ID/IQ contract with Stuart Consulting Group, Inc. in the amount of \$15,000 for Professional Engineering Services, seconded by Commissioner Stack and unanimously adopted.

2) **Status of Grass Cutting RFP/Q**

Mr. Capo advised that this item is informational only and no motion is needed. The RFP/Q will be sent out within the next week.

Mr. Mills advised that construction documents consist of the 37 page contract which the contractors will be bidding and 14 pages of plans that include all grass areas the Non-Flood Authority manages. The plans include the Airport, South Shore Harbor, South Shore Harbor Blvd., medians, Lakefront parks, interior parks and approximately 558 acres of grass area that includes the New Basin green space between Veterans and Robert E. Lee Blvds. The original interior and Lakefront park acreage was approximately 415-420 acres, which was revised to 313 acres. The total acreage is 558 acres.

A maintenance schedule was included in the RFP/Q and changes can be made before the project is bid. The areas consist of five (5) bid items and there is a unit cost per acre as each area is unique in the amount of effort that goes into maintaining the area. South Shore Harbor has more edging/weed eating, the Airport has FAA restrictions and background check requirements and the Lakefront area is open. Areas can be added or acreage or cycles can be subtracted and it will not impact the unit cost. The contractor is required to comply with all FAA restrictions at the Airport. DBE information will be included which are approximately six sheets inserted as an appendix. The contract requires the contractor to be bonded by performance and payment bonds which is a typical requirement for grass cutting. The state has a retainage bond, but Mr. Metzger advised this was not logical due to the way the contract is set up. Mr. Metzger advised that language in the RFP/Q can be revised to give the owner latitude to adjust the number of cycles in the contract.

Mr. Mills advised that a section addresses litter which states the contractor is to maintain litter on Lakeshore Drive and the grassed areas, but not on the paved areas. The contractor is advised to pick up litter and debris

before it is mowed over. The RFP/Q addresses acres and not cycles due to bonding reasons. Mr. Capo added that invoicing worked in conjunction with the maps which depict areas that cannot be cut and those areas can be subtracted.

Commissioner Stack advised language in the RFP/Q states the contractor has to complete a cycle in 14 days. If the cycle is not complete in 14 days, the contractor does not get paid for the cycle. If the cycle is partially complete, staff will be required to make the necessary calculations. The contractor is taking the risk of the weather. Mr. Mills advised that the intent of the specification is the contractor only gets paid for actual acres cut. If only 50 of the 227 acres at the Airport are cut, the contractor will get paid for only 50 acres. A cycle is one complete cut of each identifiable unit on the map. The contractor does not get paid if the cycle is not completed, but the specification could be amended.

Mr. Capo suggested this item be expedited to meet the July 1, 2013 deadline. Chairman Hoffman advised when Commissioner Stack's questions are answered the RFP/Q should be put out to bid. A pre-bid conference is scheduled and there is no reason the deadline cannot be met.

3) **Review of budget to actual Fiscal Year 2013**

Mrs. Wagener noted that the year to date totals have been projected out for the next two months to estimate how the Authority may end the fiscal year. It is projected that the Authority will collect 93% of the revenues with South Shore Harbor and the Airport being short and Lake Vista and Orleans Marina being in the black. The Authority will not be in the red at the end of the year. No additional money has been transferred from the Bally's fund and no money will be used until July 1, 2013 when the insurance is paid. Cash-wise bills are paid and payroll is met with the credit card account and the general operating money. The credit card account is rents from tenants at Orleans Marina who pay rent by credit card. There is a substantial amount of money in the credit card bank account. The Authority continues to receive money from FEMA and the Corps of Engineers to pay for contracts that are part of major maintenance.

The Authority will collect 93% for the year in revenues and we will spend 86% of the budget for expenses. Chairman Hoffman noted that projections for the bottom line for the Authority will be \$1.2 million more than what was budgeted through a combination of reduced staff and reduced contracted costs. Mrs. Wagener noted that a large sum of money was budgeted for lights on Lakeshore Drive which was not used as the lights have yet to come on. Grass cutting was also reduced so there will be savings there. Chairman Hoffman noted that the number is \$945,000 less \$43,000 or approximately \$900,000. The money transferred from the Bally's account is a balancing number. The Authority saved approximately \$900,000 from the budget through a combination of efforts.

Mrs. Wagener advised the Committee that there will be funds transferred between budget categories. The transfers are kept within the fund and the money is moved from one category to the other so the category budgets are not overspent. The budget is not increased. Money is transferred between the categories in each fund. Chairman Hoffman suggested letting the Committee review the transfers and comments can be given at the next Finance Committee meeting. This will give the Committee an opportunity to review the transfers before the transfers are completed.

Ms. Wagener noted that revenues received that were not budgeted included money from triathlons at South Shore Harbor and a transfer fee from a boathouse in Orleans Marina. Those windfalls helped with the shortfalls and some tenant revenues.

ANNOUNCEMENT OF NEXT MEETING:

Chairman Hoffman announced the next Finance Committee meeting is scheduled for Thursday, June 6, 2013 at 4:30 p.m.

ADJOURNMENT:

Commissioner Stack offered a motion to adjourn, seconded by Commissioner Dufrechou and unanimously adopted.

The meeting adjourned at 5:42 p.m.