

**NON-FLOOD PROTECTION ASSET MANAGEMENT AUTHORITY  
FINANCE COMMITTEE MEETING MINUTES  
THURSDAY, OCTOBER 9, 2014 – 4:30 P.M.**

The regular meeting of the Finance Committee of the Non-Flood Protection Asset Management Authority was held on Thursday, October 9, 2014 at 4:30 p.m., in the Lake Vista Community Center, 2<sup>nd</sup> 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 Stack called the meeting to order at 4:34 p.m. and led in the Pledge of Allegiance.

The roll was called which constituted a quorum.

**PRESENT:**

Chairman Michael Stack  
Vice Chair Wilma Heaton  
Commissioner Patrick DeRouen  
Commissioner Eugene Green

**STAFF:**

Louis Capo - Executive Director  
Sharon Martiny – Non-Flood  
Dawn Wagener - Non-Flood

**ALSO PRESENT:**

Gerard Metzger – Legal Counsel  
Al Pappalardo – Real Estate Consultant  
John Holtgreve - DEI  
Brayton Matthews – Flightline First

**APPROVAL OF AGENDA**

Commissioner DeRouen offered a motion to adopt the Agenda, seconded by Commissioner Green and unanimously adopted.

**APPROVAL OF PRIOR MINUTES**

Commissioner DeRouen offered a motion to approve the Finance Committee meeting minutes of July 10 and August 7, 2014, seconded by Commissioner Green and unanimously adopted.

**REPORT BY EXECUTIVE DIRECTOR**

The Capital Outlay project list that was included in House Bill No. 2 was distributed. Facility Planning and Control (FP&C) advised that it was unknown where the projects were in relation to getting on the Bond Commission for approval. The Agenda for the Bond Commission hearing can be viewed to determine if the Authority made it on the Agenda, but it is not mandatory the Authority appear before the Bond Commission.

**OLD BUSINESS**

**1) Review of YTD budget to actual Fiscal Year 2014-2015**

The Authority budget is 25% through the year with 25% of the revenues collected. Contractual Services are over the 25% mark due to insurances paid up front. Approximately \$45,000 in fuel was billed in September making the total for the quarter \$127,000 as opposed the \$103,000 figure from last year. No funds have been transferred out of the Bally's settlement account. Approximately \$60,000 collected from the credit card account was used to process payroll and pay bills. An additional \$200,000 will be added at the end of the month to the credit card balance of \$389,000. The credit card account contains rent collected from marina

tenants that pay rent with a credit card. There were no unexpected expenses during the month.

Next year will be a crucial year for the Authority's budget as it is the year that the Authority must get through the anticipated shortfall. Projections will be made on any savings the Authority may have and the millage will be factored in during 2016.

A Request for Qualifications for an Insurance Agent of Record will be advertised in January of 2015 as well as all other professional service contracts. RFQs will be issued in February with responses due back in April. Annual professional service contracts begin annually on July 1.

## **2) Update on status of hiring maintenance personnel**

Paperwork was submitted to Civil Service to hire additional maintenance personnel. A request was submitted for a Facility Maintenance Manager A with a top salary range of \$60,000. The Facility Maintenance Manager will have the ability to work on the Mardi Gras Fountain, examine all properties, identify maintenance issues and provide solutions to make necessary repairs. After the Maintenance Manager is familiar with all aspects of his job, a second maintenance worker will be hired. The position will be advertised for two weeks and it is possible the maintenance position will be filled within 45 days.

## **NEW BUSINESS**

### **1) Discussion of results of fiscal year ending 2014 audit**

This item will be deferred to the full Board. The Authority has not been asked to respond to any audit findings or management comments.

### **2) Discussion and update regarding Capital Outlay projects approved during the last legislative session**

There are two parts to this program; appropriations and funding. If the Authority makes House Bill No. 2, it is not guaranteed that the Authority will receive funding for the project. The Authority did make it into House Bill No. 2, which is very competitive. Appearing before the Bond Commission is also very competitive. If the Authority's State Representatives could put in a good word on some of these projects that would help. The Committee will be informed if we make it to the Bond Commission. These projects will be resubmitted for next year's Capital Outlay along with additional airport projects from Commissioner Heaton. There will also be a request to extend the utility crossings to the north Peninsula at South Shore Harbor and a capital outlay request for repairs to the Lake Vista Community Center. The Capital Outlay request will be presented to the Board for adoption at the October 23, 2014 Board meeting. Chairman Stack suggested Capital Outlay for maintenance of Lakeshore Drive. The Authority may be allowed to leverage funding from other applications to match maintenance and resurfacing of Lakeshore Drive.

### **3) Discussion regarding the Walter Weddell Hangar Alternate Projects**

Chris Fenner, Stuart Consulting, advised that a request was made for \$2.5 million of additional funding be added into the PW for the Walter Wedell Hangar, which would bring the total to approximately \$6.7 million. The \$2.5 million has not yet been approved. The Authority will lose 25% which brings the total to \$4.5 million available for an alternate project. Approximately \$1.3 million of flex funding can be turned into cash in hand to be used for operating expenses. The insurance number changed in one PW that may drive that PW up, but it is not anticipated to make a significant impact. If no additional funding is approved, the Authority will

end up with funding at the end of the day. It is not known when the \$1.3 million will be available. It will take at least six months from the date the PW is obligated to receive the funds. The Authority plans to use \$1.3 million as operating expenses.

Mr. Fenner advised of the following projects from each Committee: Airport - Customs, various small projects and temporary flood protection for Lakefront Airport. Marina – Silt removal in South Shore Harbor and transient boaters' facility. Commercial Real Estate – Customs, Lake Vista Community Center repairs, Second floor build out of Hangar 101 and Transient Boaters Facility. Recreation – Repairs to the three shelters and repairs to Lake Terrace Fountain. Chairman Stack agreed with Commissioners Heaton and Green that the priority projects should be projects that would be revenue neutral. The preference would be that the Authority would make money off of the project. The Authority cannot handle what it currently has and if additional properties are taken on, there is the potential to get into deeper trouble.

#### **4) Discussion regarding Earth Cam invoices pertaining to the Mardi Gras Fountain video cameras**

No payments are being issued regarding the Mardi Gras Fountain. There are two invoices, the larger one is for \$6,836 for the two pan tilt head systems damaged by either a lightning strike or some type of electrical surge. Earth Cam submitted an invoice in the amount of \$6,836 for the two cameras that were damaged as the damage was not a warranty issue. The Mardi Gras Fountain has been an issue for quite some time and a substantial amount of money has been spent on repairs to the Fountain, which has been in various states of function. Regular maintenance costs significantly more than anticipated and the fountain requires many more man hours than expected. The designer of the Fountain will report on what is currently going on with the Fountain, why it is in the condition it is in, what are the operational issues and how much money the Authority will spend in the future to ensure the Fountain will function properly each month. The Fountain does not work properly due to filter issues and sand in the filters due to ongoing construction on Lakeshore Drive, which projects were foreseeable. The designer who put the filter and pump into the Fountain should have known there would be sand in the area. There are also issues with the cameras by the Fountain as each time a camera is struck by lightning the camera breaks.

Staff cannot expend any additional funds on the Mardi Gras Fountain without first advising the Finance Committee. The Finance Committee members have requested to be kept apprised of all ongoing issues of the Mardi Gras Fountain and Cameras along with any costs involved. The Mardi Gras Fountain and the cameras have been an issue for several months.

Chairman Stack authorized payment of any current invoices and advised staff to bring any new issues with the Mardi Gras Fountain or the cameras before the Finance Committee before any measures are taken.

#### **ANNOUNCEMENT OF NEXT MEETING:**

Chairman Stack announced the next Finance Committee meeting is scheduled for Thursday, November 6, 2014 at 4:30 p.m.

#### **ADJOURNMENT:**

Commissioner DeRouen offered a motion to adjourn, seconded by Commissioner Green and unanimously adopted.

The meeting adjourned at 5:55 p.m.