

**NON-FLOOD PROTECTION ASSET MANAGEMENT AUTHORITY
MINUTES OF THE MARINA COMMITTEE MEETING
THURSDAY NOVEMBER 8, 2012 – 10:30 A.M.**

The regular monthly meeting of the Marina Committee of the Non-Flood Protection Asset Management Authority was held on Thursday, November 8, 2012 at 10:30 A.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 Brien called the meeting to order at 10:55 a.m. and led in the pledge of allegiance.

The roll was called which constituted a quorum.

PRESENT:

Chairman Stanley Brien
Commissioner Darrel Saizan
Commissioner Pearl Cantrelle

FURTHERMORE PRESENT:

Chairman Robert E. Smith Lupo

ABSENT:

Commissioner Romona Theresa Baudy
Commissioner Patrick DeRouen

STAFF:

Louis Capo, Executive Director
Chuck Dixon, Marina Manager
Dawn Wagener, Non-Flood

ALSO PRESENT:

Gerry Metzger - Legal Counsel
Al Pappalardo - Real Estate Consultant
Steve Nelson - Stuart Consulting
Wesley Mills – Design Engineering, Inc.
Jeanne Hutchinson – South Shore Yacht Club

ADOPT AGENDA

Commissioner Saizan offered a motion to adopt the Agenda, seconded by Commissioner Cantrelle and unanimously adopted.

APPROVAL OF PRIOR MINUTES

Commissioner Cantrelle offered a motion to approve the Minutes of the August 7, 2012 and September 6, 2012 Marina Committee meetings, seconded by Commissioner Saizan and unanimously adopted.

PRESENTATION ON CURRENT MARINA ISSUES

Mr. Dixon noted that Orleans Marina and South Shore Harbor Marinas achieved Clean Marina Standards again this year. We are the only Marina on the South Shore with a pump-out facility. Occupancy levels at both marinas are stable. Several boats were lost due to Hurricane Isaac so those slips will be available at Orleans Marina. The fire alarm and monitoring companies will be changed as the present company does not have Longshoreman's insurance.

The rebuilding of the Frank Davis Boat Launch should be complete this afternoon. The floodgate at Lakeshore Drive must be complete before people can use the boat launch. The Corps has been working on the floodgate for 10 months.

OLD BUSINESS

1) Discussion regarding the Bally's Terminal Building

Steve Nelson, Stuart Consulting, advised that the Authority is at a point where it should move forward with the Bally's Terminal Building if possible. The hole on the second floor has not been closed and direction and discussion should be

addressed regarding what is to be done with the building. There may be funding available at some point if the Authority gets monies back which it loaned to the Airport.

Mr. Nelson noted that DEI performed the structural assessment of the Bally's Terminal Building. There were discussions regarding taking the structural elements of the skin off of the bottom floor. If the skin of the building remains, roll up doors could be installed on each end so the structural envelope of the building is not changed. The area will remain an open unconditioned space. The first floor deck could be insulated to prevent undue heat gain between the first and second floors and eliminate condensation issues. There are several options for the building. It will be difficult for someone to sign off on the drawings because there are serious uplift issues that are hard to understand unless you were the actual designer of the building.

Mr. Nelson recommended the Authority establish where funding would come from, how much it will cost, establish a scope and decide if the skin will be left intact with roll up doors installed. The upstairs could be renovated. If there is a budget of \$1.5 million a scope should be established along with a budget to renovate the building as one package with one designer in charge of the entire renovation.

Chairman Lupo advised that the Authority is at a point where it knows what Chevron and South Shore Harbor Master Building is going to cost and what FEMA will reimburse. LAMP will get a real price on Delgado so the Authority knows what the dollars are. The Authority needs to determine what insurance proceeds were received and how the accounting is proceeding with FEMA. The dollars should not be spent until the Authority knows if FEMA will request those dollars as insurance proceeds. If the dollars are not requested as insurance proceeds, a budget can be established and a price can be obtained for keeping the integrity of the ground floor. The ground floor would also include showers and bathrooms for Marina tenants and the second floor renovated for office space and the Harbor Master Office.

Mr. Nelson noted that a bar could be included downstairs with all bar equipment on wheels. In the event of a storm, the bar equipment is rolled onto the elevator and stored on the second floor. The bar and grill would be there as enticement for tenants and visitors.

Chairman Lupo explained that the bar and grill would be operated like a private marina club, using a caterer when the space is rented for a special event. Insurance would be required and a set of standards, regulations and applications would be prepared and filled out with the Harbor Master who ensures that rules and regulations are adhered to. This would be something the Marina community uses, but could expand as the marina becomes more popular. This is a spectacular piece of property built beautifully that needs to grow with the community. It is an exciting venue and the location is incredible for bands or entertainment on the weekends.

Mr. Pappalardo advised that the person who will design the mechanics of the building should get FEMA and the Authority's insurance agent involved early with respect to flood insurance to ensure that the flood insurance is not voided on that building. Anything built on the ground floor that FEMA construes as occupied space will kick the \$60,000 annual premium flood insurance alone on the building. The restrooms and showers should be built outside the footprint of the building so it does not confuse the building as being occupied on the first floor. The whole concept of a bar or grill on the ground floor is not happening because it requires the insurance level of \$60,000 per year. The ground floor should be empty of activity as the houses that are being built in Lakeview with the ground floor being a garage.

Mr. Pappalardo noted for the record when the building is designed, the Authority consult with the insurance consultant and two de-facto teams to ensure that nothing is put on the ground floor of the Bally's Terminal Building that will have it revert and neuter the advantage of the second floor.

Mr. Nelson advised that a FEMA reimbursement in terms of the Authority having cash in hand and to get project worksheets written and versioned will take approximately three months. For RCL to put together what fees are needed on the Delgado Hangar will be another two months as the Delgado Hangar is a relatively small change.

Chairman Brien noted that the remainder of the Marina Committee meeting would be informational only as Commissioner Saizan's departure resulted in a loss of quorum.

2) Discussion regarding sequence to bring Orleans Marina Peninsula Condo slips up to Orleans Marina standard

Mr. Nelson addressed the Orleans Marina Peninsula slips and noted these slips are not the quality of slips at Orleans Marina. The Peninsula slips are usable, but are in need of repair and to increase the slip rental rates the slips need to be the same standard as Orleans Marina slips.

The decking on the Peninsula slips should be replaced. The water lines are piecemealed PVC pipes stapled to the bulkhead. There is an issue with the water meter that needs to be rectified quickly and there are also electrical issues. A set of scopes and cost estimates were prepared to complete the Peninsula slips in a phased approach starting with slips on New Basin Canal. The cost for repairs to all slips is approximately \$500,000. The pilings and seawalls were tested and there are no looming issues. The joists and stringers are bad and should be replaced from the bottom. This will include replacing all water lines, a backflow preventer and water meter to meter the different slips properly along with an electrical system that includes proper outlets and distribution. That cost is \$500,000 for the whole New Basin Canal broken down into three sections.

The New Basin Canal side needs the most work and is estimated to cost \$180,000 as there is not as much decking at that site. Major infrastructure for electrical along with a main panel will go in as part of that project along with the backflow preventer and meter so there are additional costs put in up front that are slightly more expensive. The return period is slightly longer on the New Basin Canal and the east wall.

The east wall is more expensive as there is quite a bit more decking and a wide walkway that has to be replaced. The return on investment period for all repairs is 17.2 years and does not include any increased rates over that period. The bids could come in higher or lower than \$497,000. The numbers used were taken from RS Means and discussions with electrical engineers. This estimate includes everything but the dock boxes which the Authority can install. There is a vehicle to do that without going to public bid. Mr. Capo noted that there are 46 slips and the total renovation cost is \$500,000. The renovation cost per slip would be approximately \$10,869 per slip.

Mr. Nelson advised that the scopes and budgets are laid out and the design is complete for all decking and is at the Authority's disposal. Renovations should be discussed with staff and done properly in a phased approach. For pricing purposes the New Basin Canal site could be used as the base bid with the northern slips as Alternate 1 and the western or east wall slips as part of Alternate 2. If pricing comes in good the Authority could elect to do the entire project.

Mr. Nelson advised that one water meter would be installed for all three sections. Mr. Dixon noted when the Authority took over the Peninsula slips the meter was also taken over. The Sewerage & Water came out twice and could not find the meter so the water bill is currently being estimated. This issue should be

corrected as quickly as possible as the water for the Peninsula slips may be going through the Condominium's water system.

Commissioner Cantrelle noted that if the water is going through the condos, the Authority is being estimated and the condos are being charged. If the water at the Condominiums is cut off and there is still water at the Peninsula slips then the water is not going through the Condominiums. If the water is at the Condominiums then S&WB is making money twice by charging the Authority an estimated amount and charging the condos the full amount. Chairman Lupo requested Mr. Metzger, Mr. Capo and Mr. Dixon discuss how to proceed with the water meter situation.

Mr. Nelson added if the project was bid with the New Basin Canal slips as a base bid, the current estimate would be \$180,000 to start the project and is the cost that is obligated to the contractor. The north and west slips would be an additional \$139,000 and the east wall would be an additional \$177,721. There is a grand total for all slips along with a base bid and price for Alternates 1 and 2. The 17.2 year return on investment period is if all of renovations were done today and the rates never increased.

3) Update on Super bowl parking plan at South Shore Harbor Terminal Parking Lot

Mr. Dixon advised that parking for limousines, busses, cabs and rent-a-cars would be diverted to South Shore Harbor Marina Terminal Parking Lot. There are spaces for over 900 cars and this will be put together on a power point presentation. Louis Armstrong Airport is charging a permit fee of \$50. Mr. Dixon suggested charging a \$50 per vehicle fee for permanent parking at South Shore Harbor to generate revenue for South Shore Harbor and relieve traffic congestion at the Airport.

Mr. Metzger advised that a contract would be prepared for the \$50 fee along with making sure they are insured and obtaining a hold harmless agreement.

The NFL will bring in 3,000 limousines and buses for the sponsors and NFL team owners. Rent-a-cars are used by air crews coming in to spend the night. There will not be many cabs as the NFL will use mostly limousines. A diagram will be prepared for the limousines, busses and cabs to park as indicated in the diagram. The fee of \$50 is competitive with Louis Armstrong's fee of \$50. The carrier will have a person dispatch from each FBO via radio for the limousines and rent-a-cars. There will be approximately 600 aircraft on the ground at Lakefront Airport. Mr. Capo added that sponsors have private plans. URS is preparing a capacity location plan that was requested by the FAA and the NFL to determine how many and where the planes can be parked at Lakefront Airport.

4) Update on Major Maintenance items at Orleans Marina consistent with the new lease provisions

Mr. Dixon requested that the Promenade restroom, handrails and entrances to each pier be painted. A bid will be prepared and sent out. There are issues with finding a painting contractor with Longshoreman's Insurance which is required when working in or around the Marina within six feet of water.

Tenants have requested security cameras at the entrance and exit gates and over the parking lot and bids are being obtained for those cameras. The bidder will be required to have Longshoreman's insurance due to working within six feet of water at the Marina.

Mr. Nelson noted that the security guard booth at Orleans Marina has been vacant since Hurricane Katrina and FEMA paid approximately \$2,000 to the Authority to replace the booth. Replacing the guard booth could be done for approximately \$15,000. The booth will be raised to avoid future flooding and an air conditioner and heater will be included. The glass guard booth is located underneath the stairs of the Harbor Master Building so the guard is more visible and this will cure issues regarding recent break-ins. The cameras are wireless state-of-the-art cameras that will provide a sharp clean video feed to the guard

booth. The cameras are internet based and tenants with a password could log on to see any activity at the Marina. The DVR holds video up to 30 days. The total for the cameras, installation, DVRs and transmitters is \$12,600.

5) Update on Point lighting at South Shore Harbor

Mr. Nelson advised that the Peninsula at South Shore Harbor has a drop of approximately 4-5 feet off the end of the seawall which is approximately 6 feet across at the top. The IBC 101-3 code requires a guard rail around the area when there is a drop over 30 inches. This design is complete and put together for this project. If there is no guard rail around the Peninsula the Authority is essentially inviting people to use that space. The space is a good space and will be well utilized, but if a youngster dives off the seawall it is approximately 150 yards from the end of the seawall to the nearest egress ladder. If the project goes forward a guardrail is recommended. If the Authority chooses not to go forward with the project signage and barricades should be placed at the Point prohibiting the public from entering the area. The guard rail will cost approximately \$80,000 for 350 linear feet per rail and if steel is used the cost is approximately \$170,000. To do the whole project properly the costs will go up to approximately \$180,000.

Mr. Nelson advised that the code requires a guard rail due to public safety issues at South Shore Harbor because the Authority is inviting people to the area and if someone dives off the end of the seawall the Authority could be at risk. Commissioner Cantrelle suggested placing signage in the area for liability purposes until the situation is resolved. If barricades are put up, signage should be posted as a matter of precaution. Mr. Nelson agreed and advised that signage should be posted along the peninsula because the only set of drawings for the project include my stamp and license number on them so I could be liable. It is recommended from a safety standpoint the Authority take action to the code as it is clear regarding requirements. This is not a small issue as it is safety related.

Mr. Dixon informed the Committee that the barricades and signage will be placed in the area at the end of the meeting. Rails should be placed in locations adjacent to a walkway because you are inviting people to come along the Promenade where there is lighting and benches. Further south toward the Terminal Building there is a road. If that road is closed off it advises people that there is no walking permitted on the seawall. Mr. Capo pointed out that there will be a large gap on the east side by the promenade. Mr. Nelson noted that the Promenade is a bigger issue. From a legal standpoint the Authority could argue the public is not invited as can be seen by the signage advising people not to use the area as it is not a walkway. If the area is properly marked the Authority is not inviting people to use that space on the peninsula and on the promenade.

Chairman Brien requested that the area be secured with barricades and signage to prevent the public from entering the area. Mr. Dixon advised that he had barricades from NOPD that would be placed in the area.

ANNOUNCE NEXT MEETING

Chairman Brien announced the next Marina Committee meeting is scheduled for Tuesday, December 4, 2012 at 10:30 a.m.

ADJOURNMENT

Due to a lack of quorum, there was no Motion to Adjourn. The meeting ended at 10:59