

**NON-FLOOD PROTECTION ASSET MANAGEMENT AUTHORITY
MINUTES OF THE MARINA COMMITTEE MEETING
TUESDAY MAY 6, 2014 – 10:30 A.M.**

The regular monthly meeting of the Marina Committee of the Non-Flood Protection Asset Management Authority was held on Tuesday, May 6, 2014 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 Dufrechou called the meeting to order at 10:43 a.m. and led in the pledge of allegiance.

The roll was called which constituted a quorum.

PRESENT:

Chairman Carlton Dufrechou
Vice-Chair Stanley Brien
Commissioner Robert E. Smith Lupo
Commissioner Pearl Cantrelle

STAFF:

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

ALSO PRESENT:

Gerard Metzger - Legal Counsel
Charles Curtis – Legal Counsel
Carl Hudson – Orleans Marina Tenant
Ray Landeche – Lakeshore Subdivision
Kort Hutchison – South Shore Yacht Club
Jeanne Hutchison – South Shore Yacht Club
Michael Liebert – Orleans Marina tenant
Tim Avegno – Eagan Insurance

ADOPT AGENDA

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

APPROVAL OF PRIOR MINUTES

Commissioner Brien offered a motion to approve the minutes of the March 5, 2014 Marina Committee meeting, seconded by Commissioner Cantrelle and unanimously adopted.

CURRENT MARINA ISSUES

Mr. Dixon reported that the cameras at South Shore Harbor and the DSL at the Guard House will be installed. Light fixtures on the promenade are installed and working. Two light poles are currently out of service. One pole fell and the manufacturer will be contacted to determine if there is a warranty for the base of the light. A second pole on the promenade requires welding. Electrical inspections at South Shore Harbor can be done 50%, 25% or 1/3 of whatever slips have power to them and the cost is approximately \$15,000 for the entire job. Occupied slips will be the only slips tested as those slips are currently pulling power.

There were 20 LED cobra head lights installed on the Seabrook Bridge, which also light the Frank Davis Fishing Pier. The Authority is still responsible for electrical lighting on the Seabrook Bridge. Marina Day is June 7, 2014 from 11:00 a.m. until 3:00 p.m. at South Shore Harbor. Hot dogs and hamburgers will

be provided and Messina's will prepare the food. Sponsorship is \$200 and the sponsor gets their logo on a coozie. Marine brokers and anyone that deals with the Marinas were contacted regarding Marina Day.

There are discussions underway regarding the sheet piling on the north wall, which should be covered by the Peninsula Condominium Tenants Association. A diver will advise what has to be done to repair the bulkhead and what he can do to fix it. Mr. Metzger advised that in the Authority's lease with Peninsula Condominiums, Peninsula is responsible for the bulkhead. The Pelius-Eppling boat slip lease was in place at the same time as the Peninsula Condominium lease. When the Pelius-Eppling lease expired an inspection showed that there were no problems. Charles Curtis, Legal Counsel, advised that there is a problem with the bulkhead that has to be fixed as it is causing a sinkhole and delaying the slip construction. The diver examined the bulkhead, got a proposal and the Authority can make a demand on the condominium association because their responsibility is stated in the Peninsula Condominium lease. If Mr. Merrick refuses, the Authority can make the repairs and take legal action to recover the amount. Chairman Dufrechou suggested staff obtain estimates within the next 30 days.

Mr. Dixon reported that Schubert's examined the restrooms at South Shore Harbor and advised that Schubert's will remove the tile, sand the area down and install non-slip shower tiling to prevent any slip-and-falls. This will be accomplished within 30 days. Mr. Capo advised of discussions regarding long range priorities for South Shore Harbor and advised that an e-mail was forwarded stating those requests. Restroom renovations and a laundry facility will be requested as there is no laundry facility at South Shore Harbor. Monies for these renovations will come from monies not used to rebuild the Wedell Hangar.

OLD BUSINESS

1) Update on the status of electrical inspections

Kimball and Orleans Marina Tenants Association reviewed three issues with the electrical locks. Eight bid requests were sent to electrical companies. H3 was the lowest and only bid. Mr. Metzger advised that although only one bid was received, the Authority is in compliance with the law.

Bids for the remaining electrical repairs were sent to eight electrical companies. One DBE showed (E-1 Electric), along with H3 Electric and Deubler Electric. The Entergy engineer outlined the issues in the marina. The bid was extended one week to give bidders additional time to prepare their bids.

2) Update of the navigational marker on the breakwater at South Shore Harbor Marina

Automatic Power was contacted and will replace existing signage on #9 and erect a warning sign. A Notice to Mariners will notify that navigational markers #9 and #11 are in extremely shallow water.

NEW BUSINESS

1) Discussion regarding renewal of leases for Orleans Marina and South Shore Harbor Marina

Orleans Marina slip leases have one year left on the three year leases and there is no change in terms. There are no major maintenance monies for South Shore Harbor Marina. Discussions regarding a 10% surcharge are underway to put aside for major maintenance only. Mr. Dixon noted that with the exception of Municipal Yacht Harbor, even with a 10% surcharge South Shore Harbor is still way below the 17 marines around the Lake.

2) Discussion of Request for Proposals for the former Bally's Terminal Building at South Shore Harbor Marina

This item will be brought back on the next Committee meeting Agenda.

PUBLIC COMMENTS

Michael Liebert – Orleans Marina tenant

Mr. Liebert advised that years ago the Levee Board advised of a 10% rent increase that would be dedicated for maintenance. That 10% was never set aside for maintenance. The 10% increase should be set aside each year for maintenance instead of deferring maintenance. Regular maintenance makes the overall cost impact on the tenant much less.

Carl Hudson – President of Orleans Marina Tenant Association

Mr. Hudson noted that the Orleans Marina slip lease has language stating that 10% would be set aside for maintenance, but that language is not in the lease that new tenants sign. The lease provides a right for renewal of the lease unless the Authority shows cause not to renew the lease. The fourth page contains a one paragraph sentence under Obligations and Right of Renewal that takes the right to renew out of the lease. Mr. Metzger advised that an annual Resolution is adopted that authorizes signing of the slip leases in the Marina. This Committee adopts a Motion to Recommend authorization to sign the slip leases, which is brought before the Board. The item will be on the June Marina Committee Agenda.

Chairman Dufrechou thanked Mr. Metzger, Mr. Dixon, Mr. Capo, staff and Mr. Pappalardo for working the past several weeks on the RFP for the old Bally's Terminal Building, which will go before the Commercial Real Estate Committee. The more activity attracted to the Marina, the better.

Mr. Liebert advised the Committee that the soil, rock, weeds and debris have been removed from Lake Marina Avenue. The debris was building up and looking unsightly. The contractor for the 17th Street Canal agreed to clean the area up.

Mr. Dixon advised the two 60-inch circulation lines will be redirected to go across the street and underneath the roadway. Mr. Liebert suggested a wall that would deflect the outfall away from restaurant row. The wall would create an outflow making a suction in that triangle area that is created by a deflector that would suck the water out of the Marina instead of a pump that would force the water it into the Marina. The 60-inch lines bring water from the 17th Street Canal into the Marina. The water coming into the Marina is runoff from uptown, and consists of hydrocarbons, pesticides, insecticides and debris that runs off of the streets uptown. The water then enters into the Marina. The one way valves on the 17th Street Canal side do not function, and every time it rains the Marina is filled with black water consisting of debris and grass clippings, which runs all fish and wildlife out of the Marina. When it stops raining the water clears up and the fish and wildlife return to the Marina.

Mr. Liebert informed the committee of a pothole that is developing in front of 7341 W. Roadway. The hole is very large and could cause a substantial accident. Mr. Capo noted that the pothole was by the old Coconut Beach and advised the contractor would be put on notice regarding the pothole.

Mr. Liebert urged Marina Management to conduct a mooring survey at both Marinas prior to the storm season. There will be at least two vessels

per pier that fall below the mooring standard, usually the vessels that are neglected. The vessels that break away normally cause a domino effect damaging anywhere from one to four additional vessels. Mr. Liebert suggested that management hire a licensed captain to identify the vessels that fall below the mooring standard and force the boat owner to secure the proper ropes on those vessels. There are vessels in the Marina that the state registration sticker has not been used in 10-15 years. These tenants get the boat to save the slip and do nothing with the boat and these are the people that do not tie their vessel and properly prepare it for a storm.

Mr. Dixon advised that tenants are responsible for mooring their own boat. If the Authority takes responsibility of the boat and secures the boat, the Authority is liable for that boat. Each year a letter is sent to the tenant prior to storm season if something is visibly wrong with ropes or mooring of the vessel. Mr. Metzger suggested including a default provision in the lease that would provide lease termination for any vessel that does not have up-to-date licenses. Mr. Curtis informed that when a lease is renewed the current registration and insurance along with a driver's license is required. The lease contains language that authorizes the Authority to charge the tenant if the boat is a danger or a derelict vessel. There are several boats in the Marina that are basically derelict.

Mr. Liebert requested that the Marina Manager enforce the Marina rules to a greater degree. If the Harbor Master advised a boat owner that the mooring is deficient and the boat breaks loose during a storm, the insurance company will not pay the claim because the boat owner did not comply with the Harbor Master's request to properly secure the vessel. Chairman Dufrechou suggested that the lease be reviewed to determine what action the Authority can take as staff and Marina Management want the Marina to be as safe as possible. Mr. Metzger suggested staff prepare a list of derelict vessels. Those tenants can be placed in default. Mr. Curtis added that the Authority could put those tenants in default or not renew the lease. Marina leases are coming up for expiration June 30, 2014. These boats can be identified and the owner given notice to correct the deficiencies or the lease will not be renewed.

Mr. Liebert noted that Brisbi's and the Blue Crab are major amenities for on-the-water-attractions that attract many boats. That business is desperately needed and will help attract people into boating activities. Mr. Liebert urged staff to consider Schubert's proposal for a restaurant at the fuel dock. Additionally, new water venues currently in operation attract additional vessels into the Marina. Marina staff should place "no wake" signs and speed limit signs throughout the Marina to reduce the risk of boats entering the Marina at excessive speeds. Mr. Hudson suggested the Marina Committee tour the Marina to examine the issues that have been discussed. This may help Committee members understand what the tenants' issues are.

ANNOUNCE NEXT MEETING

Chairman Dufrechou announced that the next Marina Committee meeting is scheduled for Tuesday, June 3, 2014 at 10:30 a.m.

ADJOURNMENT

Commissioner Cantrelle offered a motion to Adjourn, seconded by Commissioner Brien and unanimously adopted. The meeting adjourned at 11:48.