

LEGAL COMMITTEE MINUTES

Lakefront Management Authority

Thursday, October 20, 2022 – 2:30 P.M.

Lakefront Airport Terminal Building, 2nd Floor Conference Center
6001 Stars and Stripes Blvd., New Orleans, LA 70126

PRESENT: Commissioner Robert Drouant – Chair
Commissioner Jennifer W. Herbert - Vice-Chair
Commissioner Adonis Expose'
Commissioner Carlos Williams

ABSENT: Commissioner Michelle White

OTHER
COMMISSIONERS

PRESENT: Commissioner Wilma Heaton
Commissioner Dawn Hebert

STAFF: Louis Capo – Executive Director
Vanessa McKee – Assistant to the Executive Director
Adam Gulino – Director of Operations and Engineering
Kristen Klinard, LMA Finance

ALSO

PRESENT: Mike O'Connor - Vice President, Mississippi River Bank
Nathan Junius - LHJ
Rick Renfroe - PCFI
Ray Landeche

The Legal Committee of the Lakefront Management Authority on Thursday, October 20, 2022, at 2:30 PM at 6001 Stars and Stripes Blvd., New Orleans, LA 70126.

- I. Called to Order at 2:31 PM by Chair Drouant.**
- II. Pledge of Allegiance was led by Chair Drouant.**
- III. Roll Called by Mr. Capo. (4) members were present for a quorum.**

IV. Opening Comments – Chair Drouant thanked everyone in attendance at the meeting.

V. Motion to Adopt Agenda

A motion was offered by Chair Drouant; seconded by Commissioner J. Herbert. All were in favor. The motion passed.

VI. Public Comments (Limited to two minutes per person)

VII. Legal Counsel's Update

Gerry Metzger discussed, in detail, his monthly status report of ongoing legal items which was submitted to staff and the Legal committee prior to the committee meeting.

VIII. Old Business - None

IX. New Business

1. Motion to recommend approval of a proposed settlement offer to mutually dismiss and release all claims in those proceedings captioned and entitled Boh Brothers Construction Company, LLC v. Lakefront Management Authority, et al, No. 2019-1095, Div. I-6, Civil District Court, Parish of Orleans, State of Louisiana.

A motion was offered by Chair Drouant; Seconded by Commissioner J. Herbert.

Jeff Dye discussed litigation between Boh Bros. and Barbar Bros. The LMA counselor recommended pursuing attorney's fees.

He later explained that the case was dismissed by both parties, Boh Bros. and Barbar Bros. for any and all claims.

After further discussion amongst the committee and staff, Chair Drouant called for a vote. All were in favor. The motion passed.

- 2. Motion to recommend the approval of an amendment to Resolution IX 01-04282022 authorizing the settlement of all claims by Mississippi River Bank against the Lakefront Management Authority and Orleans Levee District in connection to the premises on the premises formerly leased by West End Resources, Inc., d/b/a Mayer Yacht Services located at Municipal Address 425 S. Roadway, New Orleans, LA 70124.**

A motion was offered by Chair Drouant; Seconded by Commissioner J. Herbert.

Jeff Dye gave a summary of the case in which MRB was a creditor of West End Resources and also Mayer Yacht Services. LMA's former tenant is West End Resources who failed to exercise their option to renew their lease which expired. MRB owned the mortgage on the improvements that West End Resources was leasing from LMA. MRB also failed to exercise its rights under the leaseholds mortgage to renew the lease. West End Resources failed to vacate the premises which resulted in LMA legal counsel filing for eviction. Before going to trial on the eviction, West End Resources filed for bankruptcy. A stay was issued, and we went to trial in bankruptcy court and prevailed. The case then went back to Civil District Court where we also prevailed. MRB continued to claim a security interest in a 1972 crane that belonged to Mayer Yacht Services. left on the property. The crane went up for auction two separate times with no purchase.

This motion modifies the previous resolution for a settlement that was reached by previous board members. It will authorize payment to MRB \$10,000 and pay the additional \$15,500 to remove the crane.

Mr. Capo added that LMA's hands were tied to get the property back into commerce until that crane is removed. The company is standing ready to remove the crane. Once it's removed, LMA could go out for RFP on the property.

Hearing no further questions, Chair Drouant called for a vote. All were in favor. The motion passed.

- 3. Discussion of the Office of State Fire Marshall Report and Cease and Desist Order on the South Shore Harbor Marina Covered Boat Slip building and steps to secure occupancy of the building.**

Mr. Capo informed the committee that Attorney Dye sent an email to Erin St. Pierre at the OFSM requesting an update to report to the tenants. She replied that

she received information from Chief Nick Heineman that your report should be finalized soon. He stated that the tenants were frustrated with the lengthy process. We received verbal information that the tenants could be on their boats but no one was allowed to sleep overnight. We have not received confirmation of that information in writing.

Chair Drouant asked for the status of the sprinkler system.

Mr. Capo stated the system remained green tagged which means that the system passed a battery of testing, including several flow tests that reported that the system is operating at 820 psi. We have erected 26 hard-wired exit signs. The tenants have removed all signs of non-permitted items and cleaned their sheds. We are all just waiting for approval from the OSFM.

Adam Gulino attested to Mr. Capo's statements on the green tag.

Mr. Dye talked about the types of leases at the SSHCBS. He further explained that the annual leases automatically renew on July 1, 2023, and that any changes to the lease must be communicated to the tenants by March 31, 2023

He explained that there is a process in place that improvements must be approved by the LMA as part of the lease agreement. It has been discussed and documented that only 2 of the 26 sheds received approval from the board.

Ben Chadwick of Linfield, Junius, and Hunter has developed a plan to include the specifications of those buildings to be included in the plan submission for review by the OFSM and CNO. Once the LMA receives feedback on the plan review, it will be able to begin a draft revision of the lease.

Don Cheramie commented that he has a permit number waiting for approval from the CNO. He said he learned the CNO does not grant permits on state-owned property. He said he appreciated the progressive efforts of LMA and the tenants but felt the OFSM has burdened the progress with delays.

Rick Renfroe expressed discontent with the constant delays of the OFSM. He asked when the tenants would be able to see the draft lease that was discussed at the Special Marina meeting last month.

Jeff Dye introduced Attorney Jay Ginsburg whose focus is on Civil service and Human Resources law.

Chair Drouant announced the next legal Committee meeting and called for adjournment.

**X. Announcement of the next Legal Committee Meeting
1) Thursday, November 10, 2022 – 2:30 P.M.**

XI. Adjourned at 3:25 PM.

A motion was offered by Chair Drouant; Seconded by Commissioner J. Herbert. All were in favor.