

FINANCE COMMITTEE MINUTES
Lakefront Management Authority
Thursday, March 16, 2023, at 4:30
P.M.

PRESENT: Commissioner Anthony Richard – Chair
Commissioner Howard Rodgers- Vice-Chair
Commissioner Stan Brien

ABSENT: Commissioner Edmond Carr
Commissioner Sandra G. Thomas

STAFF: Louis Capo – Executive Director
Vanessa McKee – Assistant to the Executive Director
Adam Gulino – Director of Operations and Engineering
Bruce Martin- Airport Director
Kristen Clinard, LMA Finance
Cindy Grace, LMA Finance
Margie Brown, LMA Finance
Eli Ivry, LMA IT Support

ALSO

PRESENT: Gerry Metzger – LMA Counsel
Jeff Dye – LMA Counsel
Al Pappalardo – Real Estate Consultant
Doug Vernetzy- BD&P Commtech
Ray Landeche

The Finance Committee of the Lakefront Management Authority met on Thursday, March 16, 2023, at 4:30 PM at 6001 Stars and Stripes Blvd., New Orleans, LA 70126.

I. Call to Order

The meeting was called to order at 4:52 PM

II. Pledge of Allegiance

The Pledge of Allegiance was led by Commissioner Rodgers

III. Roll Call

Mr. Capo called the roll. With (3) members present, a quorum was established.

IV. Opening Comments – Chair Richard/Commissioners

Chair Richard thanked everyone for their attendance at the Finance meeting.

V. Motion to Adopt Agenda

A motion was offered by Commissioner Rodgers; seconded by Commissioner Brien.

Chair Richard called for questions or comments. Hearing none, called for a vote. All were in favor. The motion passed.

Chair Richard motioned to add a 4th motion to the agenda.

Mr. Capo read the motion onto the record as follows:

A motion to recommend approval to the board for the Executive Director to enter into negotiations with Sewerage and Water Board.

A motion was offered by Commissioner Brien; Seconded by Commissioner Rodgers.

Chair Richard opened the floor for discussion. Hearing none, called for a vote. All were in favor. The motion to add a motion to the agenda passed.

Chair Richard suggested a 2nd amendment to make item #3 a motion to recommend LMA Fiscal Year 2024 Budget to the board for approval.

A motion was offered by Commissioner Brien; seconded by Commissioner Rodgers.

Chair Richard called for discussion. Hearing none, called for a vote. All were in favor. The motion passed.

Chair Richard called for a motion to adopt the agenda as amended.

A motion was offered by **Commissioner Rodgers**; seconded by **Commissioner Brien**.

Chair Richard called for discussion. Hearing none, called for a vote. All were in favor. The motion passed.

VI. Director's Report

Mr. Capo stated that the director's report would be covered by the items on the agenda.

VII. Public Comments - None

VIII. New Business

- 1. Motion to recommend approval to execute an Intergovernmental Agreement for the Purchase of three vehicles from the Southeast Louisiana Flood Protection Authority-East.**

A motion was offered by Commissioner Rodgers, seconded by Commissioner Brien.

Mr. Capo informed the committee that the Flood Authority had (3) maintenance vehicles to sell to us. The cost would be \$9800 for the (3) trucks. Flood Protection's Board approved the sale of the trucks on their end. We would need this board's approval.

Adam Gulino has the maintenance log for the vehicles. Only one truck had an IBS issue but they are in working condition.

Chair Richard called for a vote. All were in favor. The motion passed.

- 2. Motion to recommend approval of an IT services contract with Commtech Managed IT Services for a term of (1) year for an annual amount of \$28,800.00, payable in monthly installments of \$2,400.00.**

A motion was offered by Commissioner Rodgers; seconded by Commissioner Brien.

Eli Ivory informed the board that the network servers, switches, and connections are aged. He proposed that Commtech would be resourceful in updating the structure and integrity of the network which would involve having everything go to the cloud to become more virtual. It would also allow more secure connections and backup recovery should we need to evacuate.

Doug Vernotzy, Commtech, explained that servers will be decommissioned most of it will go to the cloud or SharePoint. The infrastructure already exists within your paid Microsoft services but needs to be migrated and set up properly.

Commissioner Rodgers asked if Mr. Vernotzy recommended LMA purchase a new server as backup.

Mr. Vernotzy's response was that you do not need another physical device onsite.

Chair Richard attested to just having made the change to the cloud has enabled him to access his files from anywhere.

Mr. Capo added the details of the aged equipment which came from Flood Authority back in 2016.

Hearing no further discussion, chair Richard called for a vote. All were in favor. The motion passed.

Chair Richard asked Mr. Capó to read item #3 as amended.

3. Motion to recommend approval of the LMA Fiscal Year 2024 Operations Budget and Capital Project

Mr. Capó informed the committee that the budget was discussed in each committee.

- **Revenue Positive Properties**
 - Proposed revenue this year \$8,999,727
 - The New Basin Canal and the Orleans Marina and Lake Vista Community Center are the properties that keep us in budget all having a positive income.

- **Revenue Negative Properties**
 - SSH Marina is projected to be a \$779,628
 - Airport projected lose \$747,157
 - General Fund is projected to lose \$381,000

- **Increase in the Interest**
 - Projected to receive \$129,000 in interest in the LMAP Account

- **Legal Budget**
 - Was increased by an additional \$70,000 in December 2022
 - Parcel – L and the Covered Boat Slips caused an influx in the legal budget.
 - Pontchartrain Beach is the next big driver in legal expenses

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

Chair Richard asked Mr. Capó to read motion #4

4. Motion to recommend approval for the Executive Director to enter into negotiation with the Sewerage and Water Board.

A motion was offered by Commissioner Rodgers; seconded by Commissioner Brien.

Mr. Capo informed the committee that he was seeking approval to send a counter-proposal that he and the finance department have prepared to Sewerage and Water Board to offer a payment plan more palatable to our budget.

Chair Richard was in agreeance to recommend this motion to grant Mr. Capo the authority to start negotiations to reach an agreeable number and payment plan on both sides.

Commissioner Brien asked if we were making progress on stopping leaks to stabilize our bills.

Mr. Capo reported that 2 of the four waterlines are now stabilized. Zero Downman has a normal bill of \$6,000 per month and 101 E. Roadway are down to its normal \$35 per month bill.

Zero Haynes and Orleans Marina still show high water usage and are still under investigation.

These are all old properties with aged infrastructures that have made locating the leaks a real challenge.

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

Chair Richard announced the next meeting and called for adjournment.

IX. Announcement of the next Finance Committee Meeting

1) Thursday, April 20, 2023, at 4:30 P.M.

X. Adjourn at 5:29 pm.

A motion was offered by Commissioner Rodgers; seconded by Commissioner Brien.