

**MINUTES OF
LAKEFRONT MANAGEMENT AUTHORITY
MARINA COMMITTEE MEETING
TUESDAY, SEPTEMBER 19, 2023 – 3:30 P.M.**

PRESENT: Commissioner Dawn Hebert-Chair
Commissioner Stan Brien
Commissioner Esmond Carr (Arrived at 3:33 PM)

ABSENT: Commissioner Renee Lapeyrolerie – Vice Chair

STAFF: Louis Capo – Executive Director
Vanessa McKee – Assistant to the E.D.
Adam Gulino – Director of Operations and
Engineering Cindy Grace – LMA Finance
Margie Brown – LMA Finance
Michael Sciavicco – Harbor Master
Helaine Millner Harbor Manager

ALSO

PRESENT: Gerry Metzger – LMA Counsel
Jennifer Mortz (SSHM-CBS Tenant)
Julian Holloway (New SSHM Tenant)

The Marina Committee of the Lakefront Management Authority met on Tuesday, September 19, 2023, at the New Orleans Lakefront Airport at 6001 Stars and Stripes Blvd., New Orleans, LA 70126.

I. Call to Order

Chair Hebert called the meeting to order at 3:30 PM.

II. The Pledge of Allegiance was led by Commissioner Brien.

III. Roll Call

Director Capo called the roll. Two members were present during roll call. There was no quorum, and the meeting was informational.

IV. Opening Comments – Chair Dawn Hebert

Discussed SSH tenants updated leases, transient boaters, and what was being done to attract tenants to increase the Marina's occupancy.

Commissioner Carr arrived at 3:33 pm and a quorum was established.

V. Motion to Adopt Agenda

A motion to adopt the agenda was offered by Commissioner Carr; seconded by Commissioner Brien.

VI. Public Comments - Limited to (2) Minutes

Jennifer Mortz inquired about the status of her request to add furniture items, tv, and washer/dryer to her slip #13. She mentioned that there was going to be a discussion by the board to allow the Marina Committee to approve her request.

Commissioner Carr stated that the motion to allow the Marina committee to approve Marina requests failed. It should be discussed at the committee level and go to the full board for approval and asked why it wasn't on the agenda.

Mr. Capo asked Mrs. Mortz if she had submitted her request to the harbormaster for consideration.

The committee had further discussion regarding the items in the request and informed Mrs. Mortz that her request would be heard at the next board meeting.

Mrs. Mortz stated that she emailed her request to Mr. Sciavicco and Mrs. Millner. She has been to several meetings and is waiting on the final word of approval.

Mrs. Millner said that the board decided not to give the Marina Committee the authority to approve marina requests at the last full board meeting.

Commissioner Carr said that the next step would be to add Mrs. Mortz's request to the board agenda for discussion and approval.

Mr. Capo asked for an itemized list of items for approval.

Mr. Sciavicco stated that he would forward the list to Mr. Capo.

Mrs. Julian Holloway commented that she came to listen, learn, and introduce herself to the committee. She said she was new to SSHCBS and waiting for a permanent slip, preferably a covered slip if one is available.

Chair Hebert welcomed Mrs. Julien to the SSH Marina.

VII. Director's Report Mr. Capo said that his report would be covered under the old business discussions.

Commissioner Carr asked for an update on the Coaxum Development at Parcel – L since they are out of their due diligence period and asked if all the requirements were being met.

Mr. Capo reported that Mr. Coaxum is moving forward with his development plans. They have completed the cleanup. He is paying rent and has insurance. All requirements are being met.

IV. Old Business

1. Update on Orleans Marina Harbormaster Building

Mr. Gulino said that FEMA responded with the necessary feedback to move forward. The next step would be to advertise for bids on the job at the end of the month. The bid period is 25 days and may not be ready in time for the next committee meeting. We may need a special marina committee meeting, or if allowable, it could go directly to the board meeting for discussion and approval.

2. Update on current finances

Mr. Capo discussed the financial position of the SSHM

- FY21-22 we budgeted approximately a \$68,000 loss at SSHM
- FY22-23 budgeted approximately a \$590,000 loss
- Presented to Finance Committee in January 2023 a loss of \$590,000 and on track for a \$1.2 million loss for the year.

Commissioner Carr asked for clarity on the \$1.2 million loss at SSHM and asked if the loss included the sprinkler system.

Mr. Capo replied the \$1.2 million projected loss for FY2023 does not include the cost of the sprinkler system.

Chair Hebert asked if there was any revenue that was saved over the years to balance the financial loss at the SSHM.

Mr. Capo replied, no and explained that the goal is to balance the budget across all of the properties. The loss sustained at SSHM, and the Airport are covered by the revenues at Orleans Marina and the New Basin Canal.

Commissioner Carr expressed that he was not in agreement with a previous suggestion to close and sell SSHM. He wanted a broad financial picture of SSHM and asked to work with staff to get a better understanding of the losses.

Commissioner Carr spoke of information he received from an outside source that reports SSHM was profitable for 12 years.

He also discussed that the tenants have a 10% fee written into their lease for maintenance.

Mr. Capo replied that the source's information was inaccurate. He discussed the costs of the new roof and sprinkler system over the past years had far exceeded the 10% maintenance fee in the lease.

He said although SSHM had not a profitable entity, he was not in support of the suggestion to close and sell SSHM. He added that the proposed Capital Outlay Projects request, which included projects for SSHM is due to be submitted to the state for consideration for funds by November 1st.

Mr. Capo said that he believed that it was time for the committee to take a serious look at increasing the rent to meet the rising costs of maintenance and supplies.

Commissioner Carr was in support of starting discussions soon on rent rate increases at the committee level to make the necessary recommendations to the full board.

There was further discussion on:

- What items on the 2024-2025 Capital Outlay Projects request were relative to SSHM
- When would the North Peninsula RFQ go out
 - The Commercial Real Estate consultant recommended putting this project on hold until further discussion at the Commercial Real Estate committee.
- An update on getting the ship store up and running
 - **Mr. Gulino** spoke about the risks associated with the fuel tank testing and future hardships with running the store.

Commissioner Carr stated that he would like to see the store up and running after we invested \$20,000 into piping.

Chair Hebert felt certain that the store would become more profitable once the Parcel -L site is established.

Commissioner Brien asked if it would be profitable to share the Capital Outlay Project information with the tenants in an effort for them to contact their legislators for support.

Mr. Capo reported that the Seabrook Boat Launch is currently closed. We are working to repair (1) boat launch for use until the total restoration is completed.

3. Update on the subsidence issued at Orleans Marina

Adam Gulino reported that the FPA is not willing to assist with the sink holes at the entryway to piers 1 and 2. He will continue to use the flowable fill. However, it will not work for the walkway. They may have to use sandbags for that area.

Chair Hebert suggested maybe using a fence or rail.

Chair Hebert announced the next Marina committee meeting and called for adjournment.

V. **Announcement of the next Marina Committee Meeting**

1. Tuesday, October 17, 2023, at 3:30 PM

VI. **Adjourned at 4:11 PM**

A motion was offered by **Commissioner Brien** and seconded by **Commissioner Carr**. All were in favor. The meeting ended at 4:11 PM.