

**LAKEFRONT MANAGEMENT AUTHORITY
MARINA COMMITTEE MINUTES
TUESDAY, FEBRUARY 20, 2024 – 3:30 P.M**

**6001 Stars and Stripes Blvd.
New Orleans, LA 70126**

PRESENT: Commissioner Wilma Heaton (Chaired this meeting)
Commissioner Brad Brandt
Commissioner Philip Clinton

ABSENT: Commissioner Dawn Hebert – Chair
Commissioner Stan Brien

STAFF: Louis Capo – Executive Director
Vanessa McKee – Assistant to the Executive Director
Adam Gulino – Director of Operations and Engineering
Margie Brown – LMA Finance
Kristin Clinard – LMA Finance
Kel Brownfield – LMA HR
Gerry Metzger – LMA Counsel
Mike Sciacicco – Harbor Master
Helaine Millner – Harbor Manager

ALSO

PRESENT: Rachel Linker
Larry Brook – SSH
Juliann Holloway – SSH

The regular monthly Marina Committee Meeting of the Lakefront Management Authority was held on Tuesday, February 20, 2024, at 3:42 PM, at the Lakefront Airport Terminal Building, 2nd Floor Conference Center, 6001 Stars, and Stripes Blvd., New Orleans, Louisiana 70126, after due legal notice of the meeting was sent to each Board member and the news media and posted.

- I. **Called to Order at 3:42 pm and Chaired by Commissioner Wilma Heaton**
- II. **Pledge of Allegiance led by Commissioner Brandt.**
- III. **Roll Called by Mr. Capo. (3) members were present for a quorum.**

IV. **Opening Comments – Commissioner Heaton: Commissioner Wilma Heaton** chaired the Marina committee in the absence of Chair Hebert and had no opening comments.

V. **Motion to Adopt Agenda**

A motion was offered by Commissioner Clinton and seconded by Commissioner Brandt.

VI. **Motion to Approve Minutes**

1. **Marina Committee Minutes - January 22, 2024**

A motion was offered by **Commissioner Clinton** and seconded by **Commissioner Brandt**.

VII. **Public Comments – LIMITED TO (2) MINUTES: NONE**

VIII. **Director’s Report**

1. **Update on Marina Business**

Mr. Capo reported on the following:

- LMA signed a contract with Edgewater Resources. The kick-off meeting with Greg Weykamp to discuss the analysis of both marinas will be on March 12.

Commissioner Heaton asked how long the process would take.

Commissioner Clinton replied that we should have a full study by the end of April.

Mr. Capo felt that the monetary assessment would be an equally important part of this study because we have not yet set a rental increase in the budget.

- The GoPark contract will end in June of this year. We will move to a new company, Dockwa which is a marina management platform widely used in the marina community.
- The cost is \$11275 per Marina, per year
- Will interface with QuickBooks

Mr. Capo and the committee discussed the cost savings of moving to Dockwa. They also discussed the new contract would put rent marina rent payments back in the hands of the staff. He said he believed that the marina staff and finance are prepared and ready for the transition.

Commissioner Heaton talked about the previous LMA administration's (2016) decision to outsource the marina rental payments.

IX. New Business

1. Discussion of the possible rate increases and changes to the lease that would be due April 1st.

Commissioner Heaton informed the public that this was only a discussion and welcomed public comment on the subject.

Mr. Capo informed the committee that one of the changes to be introduced is a fee for the liveboards.

Commissioner Heaton expressed that she understood the importance of the 90-day notice but felt it was important to complete the analysis before us having discussions regarding any rate increases.

Mr. Capo further explained that two things were going on at once. The budget must be approved and in Baton Rouge by April 1st and also the lease requires that marina tenants must be notified of any lease adjustments by April 1st.

Commissioner Brandt asked about the term length of the leases.

Mr. Metzger explained that the current leases are annual leases that are automatically renewed and provides that there must be a 90-day notice given before any provisional changes. The new lease will provide that the landlord now has the right to de

2. Discussion to increase the marina cleaning days from three days to five days per week.

Mike Sciavicco, Harbormaster suggested a 5-day cleaning schedule instead of the current 3-day cleanings.

Commissioner Heaton said she was in support of the increase to clean the marinas 5 days per week as long as it could be substantiated by the budget.

3. Discussion on the Marina's Fiscal Year 2025 Budget

Mr. Capo discussed the agency-wide budget summary. He explained that the agency must have a balanced budget submitted to Baton Rouge by April 1st. This was the first attempt to balance the budget and there is currently a \$205,000 shortfall. Finance will have to make some cuts and or some revenue to balance our books.

Finance will work to have the budget finalized by the March committee meetings to be approved at the March board meeting.

He further explained that finance has remained conservative on revenue projections from the Superbowl. All of the other properties help to balance the overall budget.

South Shore Harbor's loss has surpassed the Airport next year with a projected \$939,000 loss (July 1, 2024, to June 30, 2025).

Commissioner Heaton asked what was the main reason for the loss.

Mr. Capo replied lack of revenue.

Mr. Capo showed slides of the **South Shore Harbors** slip revenues line items to show the loss.

- SSH stands at about 35% occupancy and
- with no increase in rental fees;
- \$361,000 in total slip revenue.
- \$60,000 of revenue coming in from Parcel-L
- \$15,000 in revenue from movie shoots and other revenue from UPS truck rental.
- Total revenues for SSH are projected revenue to be \$460,000
- Total expenditures are projected to be \$1.4 million including salaries, insurance, legal, contractual, materials, and supplies.

Commissioner Heaton said if we could get occupancy up to approximately 70% it could mitigate the loss. She added that she was hopeful that Edgewater Resources would come in and give meaningful insight to help us to get the marina to the place of attracting people to increase the occupancy.

Commissioner Clinton said that was the plan to bring more amenities and nicer facilities with user-friendly items.

Mr. Capo was also hopeful about the consultant coming in to do the market analysis and that the board would adopt all or some of the recommendations that would move us in a positive direction.

Orleans Marina is in better shape financially because of the boathouses.

Commissioner Heaton asked about the office and which City Councilman's district is it.

Adam Gulino stated that we need the go-ahead from the City's Safety and Permits. It would be Councilman Giarrusso.

Commissioner Heaton suggested that we call the councilman's office to see if they could help facilitate the permitting process.

Mr. Capo reported the following on Orleans Marina:

- Projected to have a \$300,000 surplus this year
- \$940,000 in rent revenue
- 94% occupancy
- \$500,000 rent from the boathouses

- \$32,000 anticipated in transfer fees
- We will end the year with a projected \$286,000 profit
- There are multiple turnovers with the boathouses. Those transfer fees will boost our revenue.

The committee further discussed other line items and also the difficulty of predicting boathouse transfer fees. They looked forward to seeing the finalized budget at the March committee meeting.

Mr. Metzger let the committee know that two transfers are coming up next week.

Mr. Capo reported on the Capital Projects budget sheet which detailed projects the LMA will fund.

- **Orleans Marina**
 - \$400,000 allocated for inspections of piers

Mr. Gulino explained that the previous inspections were above water. This set of piling inspections will require divers which will drive the costs up significantly. He added that the cost is inclusive of inspection and repairs.

- Water line repairs
- Fire system upgrade

- **South Shore Harbor**
 - \$100,000 for engineering and plans to begin the laundry and restroom facilities at SSH
 - \$75,000 for WIFI at South Shore Harbor
 - \$50,000 to remove derelict boats

Commissioner Clinton asked if there was a way to recoup the funds for the boat recoveries.

Mr. Capo said that insurance was one way however it doesn't often work out.

Commissioner Clinton asked where the funds would come from.

Mr. Capó said the funds would come from the LMAP account. We are hopeful to receive the ad valorem taxes for the year because the LAMP account is down to \$3 million.

Commissioner Clinton asked, for clarity, on where would the Seabrook funds come from.

Mr. Capó replied that the Seabrook funds would come from Capital Outlay from the state. It is in the design phase with DEI. The final plans are to us in April and then we will go out for bid.

Commissioner Heaton asked if our cost share was budgeted.

Mr. Capó replied yes there is \$250,000 budgeted.

Mr. Capó called for public comment.

Jullien Holloway, SSH tenant, commented on the committee's discussion on the revenue and slip rental increases. She was in support of LMA's transition to Dockwa. She also suggested hosting small revenue generators at the marina like fishing tournaments, sailing or mariner classes, etc.

Commissioner Clinton agreed with Mrs. Holloway and encouraged her and other tenants to participate in the upcoming surveys with Edgewater Resources.

Commissioner Heaton announced the next meeting and called for adjournment.

- X. **Announcement of the next Marina Committee Meeting**
 - 1. **Tuesday, March 19, 2024 – 3:30 P.M.**

A motion was offered by **Commissioner Clinton** and seconded by **Commissioner Brandt**.

- XI. **Adjourned** at 4:28 pm.

Anyone wishing to address the Committee must fill out a speaker's card prior to the meeting.

In accordance with the Americans with Disabilities Act, if you need special assistance, please get in touch with Vanessa McKee at (504) 355-5990, describing the assistance that is necessary.

Notice Posted: Friday, February 16, 2024, at 3:33 PM.