

**NON-FLOOD PROTECTION ASSET MANAGEMENT AUTHORITY  
MINUTES OF THE MARINA COMMITTEE MEETING  
THURSDAY MARCH 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 Thursday, March 6, 2014 at 10:30 A.M., in the Lake Vista Community Center, 2<sup>nd</sup> 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 11:20 p.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

**ALSO PRESENT:**

Gerard Metzger - Legal Counsel  
Al Pappalardo – Real Estate Consultant  
Steve Nelson – Stuart Consulting Group

**ADOPT AGENDA**

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

**APPROVAL OF PRIOR MINUTES**

Commissioner Brien offered a motion to approve the minutes of the December 3, 2013 Marina Committee meeting, seconded by Commissioner Lupo and unanimously adopted.

**OLD BUSINESS**

**1) Update on status of promenade light fixture repairs/replacements.**

Mr. Dixon advised that the cost of the light fixtures and poles was \$6,450, of which FEMA will pay 75% as the damage was caused by Hurricane Isaac. Installation of the lights will cost \$950, which is also a 75/25% split with FEMA. One of the lights recently fell causing the base of the fixture to break. The dealer and the salesman for the light fixture will come to South Shore Harbor to inspect the fixture.

**2) Update on status of electrical inspection at Orleans Marina**

Mr. Dixon advised that the electrical inspection report provided by Kimball was reviewed and two items that were addressed will be bid quickly. There is a subsidence issue that was previously discussed in which the power is sinking with the dirt. There will be periodic inspections of the connectors going into the main panels for each pier. The bids will determine the lowest cost to move forward and repair the two items.

Commissioner Lupo noted that the question is if the contractor built according to the specifications after the storm. Mr. Dixon stated that Mr. Kimball was given the spec book for Katrina, but was not comfortable with the work that was done. Mr. Kimball has not provided a letter stating his opinion as electrical jobs can be done one of three ways. The repairs were completed according to the specs.

The electrical engineer at Burke-Kleinpeter prepared the scope of the work and design, but Mr. Kimball would have done the work differently, although the electrical repairs made pass inspection. Mr. Kimball was contracted to inspect the electrical work as specified in the NFPA manual for Marinas regarding how a Marina electrical system should be installed. A report was received advising of issues that need to be addressed and action points to address those issues. When all issues are addressed, the Authority has done what NFPA guidelines require. It must be determined if the work by Burke-Kleinpeter was completed according to the NFPA specs.

Both of the main piers at the Seabrook Boat Launch are repaired, but it is still unknown what struck the pier. At South Shore Harbor Marina, all pedestrian gates had code locks installed. The tenants are happy and several have requested that the Authority not increase slip rates due to the increased security and improvements at the Marina.

### **NEW BUSINESS**

**1) Discussion and approval of contract in the amount of \$15,600 with HTE Contractors in conjunction with Schlafly Engineering to inspect pier electrical systems at South Shore Harbor Marina**

Mr. Dixon reported that the power pedestals and meter pans were inspected as to the amount of currents, volts and amps that are going through the pedestal. The transforms at South Shore Harbor have to be taken apart resulting in increased labor costs to inspect each pedestal, which is why the inspection cost is \$15,600. There are also 422 slips and each slip will be inspected. The funds for that inspection are not available in the 2014 budget, but could possibly be taken from South Shore Harbor salaries as two employees resigned. This expense must be reported to the Finance Committee under the by-laws.

Chairman Dufrechou noted that the year-to-date budgets at South Shore Harbor reflect that the Marina is operating in the black; Orleans Marina is well in the black.

**2) Discussion and approval for Project NOLA in conjunction with CCTV Wholesalers and Sure Shot Video Solutions to install eight (8) security cameras, switch, and recorder in the amount of \$7,463.42 at South Shore Harbor Marina**

Mr. Dixon advised that the South Shore Harbor Tenants Association requested security cameras. The cameras were purchased in conjunction with Project NOLA. Cameras will be installed, run continuously and will be tied into the web. Those with the security code can view the monitored areas via the internet, much like the cameras on Lakeshore Drive. The cost of the cameras is \$7,400 and must be reported to the Finance Committee. Funds to cover the cost of this expense will be obtained through a movie shoot at South Shore Harbor estimated to bring in approximately \$8,500. The security cameras could be tied to the Levee District police at some point. Video goes back 72 hours and the parking lot and entrances will be covered.

**3) Discussion and approval of a contract with H3 Electric in the amount of \$490.00 to run conduit for eight (8) security cameras from the Guard House to the telephone junction box at South Shore Harbor Marina**

Mr. Dixon informed the Committee that this cost was to run a DSL line from the Guard House to the nearest AT&T junction box. This item is informational only.

**4) Discussion and approval to go out for bid for repair of North and East piers of the Peninsula Condominium slips.**

Mr. Dixon reported that the 16 New Basin Canal slips are leased. Due to the amount of space on the north and east wall those slips could be turned into 40-foot slips, the 30-foot slips could be moved and there is feasibility of installing 50-foot slips as this is the only location with enough fairway turn for 50-foot or larger boats. There is dirt missing in one area. There is no movement on the sheet piles, but the dirt behind it is failing. Mr. Metzger advised that the bulkhead probably belongs to the Peninsula Condominiums, which built the bulkhead. The old lease will be reviewed to determine who is responsible for the bulkhead. Commissioner Lupo suggested Mr. Dixon consult with an expert to determine if there is enough fairway space on the New Basin Canal for 50-foot boats.

**5) Discussion and approval to repair the floating docks at South Shore Harbor Marina**

Mr. Dixon reported issues with the blocks of concrete on the floating docks. The blocks were made on site and measure approximately 24x23½ with chicken wire rebar. The concrete is porous and water soaked into the rebar causing the rebar to expand, rust and crack. Marine grade plywood has been placed on the floating docks. Sponge fiberglass mix with concrete could be used to replace the concrete blocks. Stuart quoted \$7,500 for an engineer to assist with the project.

**6) Discussion and approval of a contract with Schubert's Marine in the amount of \$9,950 to remove and dispose of four abandoned boats in South Shore Harbor Marina**

Mr. Dixon reported four abandoned boats at South Shore Harbor Marina. Staff has attempted to contact the owners via phone, e-mail and certified letter, but no response has been received to date. The boats have to be demolished, sent to a landfill and pictures must be taken showing that the boat was destroyed. The owners cannot be billed because they cannot be found. Whatever information was on the boat has been defaced. Mr. Metzger recommended taking a judgment against the former slip tenants. The Authority does not have title to sell the boats at this point, but that issue should be explored. Chairman Dufrechou requested Mr. Metzger determine if the boats could be sold to generate income for the Marina.

**7) Discussion of proposed 2015 budget**

Mr. Capo reported that revenues were budgeted at \$516,000. As you can see under the Miscellaneous, we anticipate getting the two races from Bill Burke which are approximately \$15,000 each race and perhaps a few dollars more if there is any activities as far as bicycling races.

Commissioner Cantrelle suggested marketing the slips to increase demand due to the numerous security improvements at South Shore Harbor. Marketing may increase the revenue at South Shore Harbor.

Mr. Capo advised that the Authority is very tight on money and suggested a dedicated maintenance fee for South Shore Harbor Marina, however there is resistance from the Tenants Association. Commissioner Lupo suggested a meeting with both Orleans Marina and South Shore Harbor tenants. The Orleans Marina tenants could explain how the dedicated maintenance has worked very well for Orleans Marina. This would justify the maintenance fee to help generate dollars for Marina repairs. If the rates increased by 10% that would generate \$50,000 which would be committed to upgrading the facility. The Authority should not spend out of the current revenue to do improvements. The marinas have come a long way in the past year. Tenants have not only requested improvements, but have done research and

explained how the improvements could be completed. Mr. Capo and Mr. Dixon have done an incredible job with tenant relations and improvements at both Marinas.

Mr. Capo noted that Revenues of \$516,000 were based on current occupancy, which is approximately 45%. Between July 1, 2014 and June 30, 2015 the Marina expects to gain eight additional tenants, which is a conservative number.

Salaries are holding with only one full-time person assigned at the Marina. Mr. Dixon's salary and benefits are split between the two Marinas. Both Marinas are under a security contract with one in-house security guard at South Shore Harbor. Insurance escalates to \$95,000 at South Shore Harbor and factors in a 10% increase over what is currently being paid. Repair and Maintenance other than Buildings is any repairs on the piers and covered boat slips. Currently, there are roof issues with the covered boats slips which could be addressed with that line item. Professional Services include engineering consulting. Due to issues at South Shore Harbor, \$10,000 was budgeted. Additional professional services bring the total to \$21,000. Administrative Expense is \$15,000 at South Shore Harbor Marina and this item will be reviewed to determine if this expense can be reduced. Orleans Marina has many more expenses than South Shore Harbor due to the numerous issues with the boathouses. There have been several disputes at Orleans Marina and some of the boathouses are falling down.

Mr. Dixon advised that a food truck came to South Shore Harbor, which attracted approximately 50 people including two Orleans Marina tenants. Messina's sold the beer and liquor. Messina's marketing person suggested having a band play on the promenade. Commissioner Cantrelle noted that there is ample land to have festivals and events at South Shore Harbor to generate funds.

Mr. Capo addressed live-aboards at South Shore Harbor and reported that during the 1980s the FAA did not allow permanent residents near the Airport due to a noise issue. There were no live-aboards at South Shore Harbor until three years ago at which time the FAA had no issues. This also applies to the individuals that occupy the boat slips, which have long-term 30-year leases. Tenants have the option to build out, but must get Board approval for the improvements.

Mr. Metzger advised that the Board approves or denies the request for improvement when it is not consistent with the building restrictions or the building code. When the lease expires, the boathouse becomes the Authority's property. There are six long-term leases out of 26 boathouses, and when those leases expire it will be the end of the 30-year leases. There are 20 covered boat slips that could be leased on a long-term basis to generate more revenue if there is a market.

Al Pappalardo, Real Estate Consultant, stated that once the restaurant at the Airport is opened, the Authority will see an upswing at South Shore Harbor.

#### **ANNOUNCE NEXT MEETING**

Chairman Dufrechou announced that the next Marina Committee meeting is scheduled for Tuesday, May 6, 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 12:19.