Minutes of the Regular Meeting of the Board of Commissioners of the Lake Charles Harbor and Terminal District held at 5:00 P.M., Monday, July 27, 2020 in the Boardroom of the Port of Lake Charles located at 1611 West Sallier St., Lake Charles, Louisiana.

In attendance and constituting a quorum, were:

Carl J. Krielow, President

Thomas L. Lorenzi, Vice President

M. Keith Prudhomme, Secretary/Treasurer

Judy A. McCleary, Assistant Secretary/Treasurer

David J. Darbone, Commissioner

Dudley R. Dixon, Commissioner (By Conference Phone Call)

Michael G. Eason, Commissioner (By Conference Phone Call)

Absent:

None

Also Present:

Richert Self, Executive Director

Jon Ringo, General Counsel (By Conference Phone Call)

Cameron Landry, Director of Administration and Finance

Channing Hayden, Director of Navigation

Todd Henderson, Director of Operations

Nick Pestello, Director of Engineering and Maintenance

Therrance Chretien, Director of Cargo and Trade Development

Michelle Bolen, Executive Administrative Assistant

Mr. Krielow called the meeting to order at 5:00 P.M. Ms. McCleary gave the invocation. Mr. Darbone led the Board and audience in the Pledge of Allegiance.

Mr. Krielow made a statement reminding the public of the Port’s procedure for the public to address an agenda item to the Board.

- - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - -

1. Ad Valorem tax notice.

- - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - -

Mr. Krielow made a statement regarding the ad valorem tax for the year 2020 as follows:

“Notice is hereby given pursuant to Article 7, Section 23(C) of the Louisiana Constitution and R.S. 47:1705(B) that a public hearing of the Lake Charles Harbor and Terminal District in Calcasieu Parish will be held at its regular meeting place at the Administration Offices, 1611 W. Sallier St., Lake Charles, LA on August 24, 2020 at 4:45 p.m. to consider levying additional or increased millage rates without further voter approval or adopting the adjusted millage rates after reassessment and rolling forward to rates not to exceed the prior year’s maximum. The estimated amount of tax revenues to be collected in the next year from the increased millage is $4,425,125, and the amount of increase in taxes attributable to the millage increase is $325,161.

The Board of Commissioners will consider appropriate action regarding levying the ad valorem tax at the August 24, 2020 Regular meeting to be held at 5:00 p.m. at 1611 W. Sallier St., Lake Charles, LA.”

- - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - -

2. Approval of the June 29, 2020 Regular Meeting Minutes.

- - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - -

Mr. Dixon offered a motion to approve the June 29, 2020 Regular Meeting Minutes. Mr. Prudhomme seconded the motion and it carried unanimously.

- - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - -

3. Submission 2020 – 022 authorizing a purchase agreement to buy property owned by Clair Wilbur Groff and Elsie Marie Prater Groff and authorizing the final purchase of said property.

- - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - -

Mr. Self stated there was a CEA with DOTD to agree to spend $1 million to move the railroad to the north side of Sallier. The Port needs to acquire the site of the Groff property. The purchase price is $283,152 for the house.

Ms. McCleary offered a motion to adopt Resolution 2020 – 022 to authorize a purchase agreement to buy property owned by Clair Wilbur Groff and Elsie Marie Prater Groff and authorizing the final purchase of said property. Mr. Lorenzi seconded the motion and it carried unanimously.

- - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - -

4. Submission 2020 – 023 authorizing the District to pay into the Calcasieu River Fund the amount of $3 million as the Lake Charles Harbor and Terminal District’s required payment under Act. No. 332 of the 2020 Regular Session of the Louisiana Legislature.

- - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - -

The Board recognized Mr. P. J. Varnado, Project Manager with the Corps of Engineers. He presented a PowerPoint presentation regarding the DMMP and shortages of capacity to store material dredged from the channel. The CORPS is proposing to eventually expand most of the current disposal sites in Calcasieu Lake out to their original footprint. The sites will be armored with rock to prevent them from eroding.

The first site to be worked on is CDFD. The CORPS has $9 million available to work on the first phase of CDFD, which is to level the entire site when additional funding becomes available. The material will be mechanically moved out to the rocks and new containment dikes built. In order to complete the first phase (leveling the site), the CORPS requires a $3 million cost share from the nonfederal sponsor, which is the Lake Charles Harbor and Terminal District. The PowerPoint presentation is on file in the Executive Office.

Mr. Dixon offered a motion to adopt Resolution 2020 – 023 to authorize the District to pay into the Calcasieu River Fund the amount of $3 million as the Lake Charles Harbor and Terminal District’s required payment under Act. No. 332 of the 2020 Regular Session of the Louisiana Legislature Mr. Darbone seconded the motion and it carried unanimously.

- - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - -

5. Submission 2020 – 024 authorizing the Executive Director to solicit a Request for Proposals for a Strategic Master Plan for the District.

- - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - -

Mr. Self stated Mr. Lorenzi asked about a Strategic Plan. The last Strategic Plan was conducted in 2009. A new Strategic Plan is prudent. The basis of the Strategic Plan will be market based; taking into consideration the competitive position and potential market opportunities of the Port along with an evaluation of the financial feasibility of undertaking the proposed projects. Staff is expecting to budget $275,000 for the cost of the plan.

Mr. Krielow stated in the audit Mr. Self said they would set guidelines on cargo. This is a hybrid port and the focus ought to be directed into sustainable jobs. One of the things they always hear is the problem with the labor force. There is not enough sustainable full-time work. There is a lot of part-time work. The last time the Strategic Plan was done in 2009, there was talk about building condos on the waterfront. He wanted to point that out.

Ms. McCleary stated there was nothing that obligates the Port should they find there is nothing they would like to proceed pursuing.

Ms. McCleary offered a motion to adopt Resolution 2020 – 024 to authorize the Executive Director to solicit a Request for Proposals for a Strategic Master Plan for the District. Mr. Dixon seconded the motion and it carried unanimously.

.- - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - -

6. Executive Director Quarterly Expenses Briefing Note

- - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - -

The Executive Director’s Quarterly Expenses Briefing Note was rendered to the Board and is on file in the Executive Offices.

- - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - -

7. Forecast II Financials Briefing Note

- - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - -

The Forecast II Briefing Note was rendered to the Board and is on file in the Executive Offices.

- - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - -

8. Monthly Staff report from Director of Administration and Finance Monthly Report.

- - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - -

The Director of Administration and Finance Monthly Staff Report was rendered to the Board and is on file in the Executive Offices.

- - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - -

9. Monthly Staff report from Director of Navigation.

- - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - -

Mr. Hayden stated he attended a hurricane webinar with the topic being “What Happens with a Hurricane during an Epidemic.”

1. Get hurricane supplies early.
2. Many of the government and NGO’s are going to look at hotels to house people because they cannot social distance in civic centers.

The Director of Navigation and Security’s Monthly Staff Report was rendered to the Board and is on file in the Executive Offices.

- - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - -

10. Monthly Staff report from Director of Operations and Trade Development.

- - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - -- - - - - - -

Mr. Henderson stated they are loading USDA cargo. They are discharging a third blade ship this month and two more ships are coming. They also had a lumber ship. He also announced the promotion of Clark Hayes as Marine Terminal Superintendent at BT-1.

Mr. Self introduced Therrance Chretien as the new Director of Cargo and Trade Development.

Mr. Chretien stated the Port received 11,000 tons of PL480 cargo that will come in September through October. Mr. Krielow stated that was the largest order since 2018. Mr. Chretien agreed.

The Director of Operations’ Monthly Staff Report was rendered to the Board and is on file in the Executive Offices.

- - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - -

11. Monthly Staff report from Director of Engineering, Maintenance, and Development and Security.

- - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - -

Mr. Pestello stated that Berth 6 repairs are complete. They are getting inspections to get reimbursed. Also, Berth 9 construction is underway.

The Director of Engineering, Maintenance, and Development and Security’s Monthly Staff Report was rendered to the Board and is on file in the Executive Offices.

- - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - -

12. Monthly Staff report from the State Port Lobbyist.

- - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - -

Ms. Ginger Adams Corley attended the meeting and spoke to the Board regarding the Legislative Session. She highlighted the P3 initiative, capital outlay regarding the 2 mobile cranes and surplus money to get with the Governor on the Bond Commission for the cranes.

She introduced Representative Stephen Dwight who spoke about getting the P3 passed through the House and Senate. They all worked very hard to get it passed.

Senator Mark Abraham also spoke and thanked everyone for what they do. The Port is the best economic engine in SWLA. In session, the money was not there. He served on the Finance and Appropriations Committee and people were fighting for those dollars.

Ms. Corley worked very hard to get that bill passed and to get the cranes in the budget.

Representative Dwight said it was an odd session and as they debated on how to spend the surplus, they had to leave to deal with COVID-19. They came back and had to reprioritize bills. He brought three bills. The most important was the 3P.

Representatives Phillip Tarver and Wilford Carter were co-authors on the bill. This will be a great economic impact for the area.

The State Port Lobbyist’s Monthly Staff Report was rendered to the Board and is on file in the Executive Offices.

- - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - -

13. Executive Session and appropriate action in any of the following matters:

- - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - -

Mr. Krielow asked if they needed to enter into Executive Session. Mr. Ringo stated with the Covid 19 everything has shut down. He does not have anything to add, but it is up to the Board.

The Board did not enter into Executive Session.

* Suit against the Port of Lake Charles – Suit No. 2013-001091- 14th JDC, State of LA.
* Suit against the Port of Lake Charles – Suit No. 2014-004268-14th JDC, State of LA.
* IFG Port Holding, LLC vs LCHTD – Case: 2:16-cv-00146 U S District Court, Western District of Louisiana, Lake Charles Division.
* LCHTD vs IFG Port Holding, LLC – Case: 2:16-cv-00785 U S District Court, Western District of Louisiana, Lake Charles Division
* Discussion and appropriate action regarding the Real Estate Option Agreement with Lake Charles Methanol, LLC.

- - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - -

17. Other Matters which may properly come before the Board.

- - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - -

There being no further business to come before the Board, Mr. Krielow asked for a motion to adjourn. Mr. Prudhomme offered a motion to adjourn. Mr. Lorenzi seconded the motion and it carried unanimously. The meeting adjourned at 5:49 p.m.

All discussions held on the above items were **NOT** recorded using the FTR Gold program, as the program was not working at the time.

Please note that when the votes are shown as unanimous, it is the policy of the Board that the President does not vote except in the event of a tie vote by the rest of the Board and/or unless otherwise indicated.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

CARL J. KRIELOW, President

ATTEST:

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

M. KEITH PRUDHOMME, Secretary/ Treasurer