

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, March 25, 2024 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:

- Thomas L. Lorenzi, President
- M. Keith Prudhomme, Vice President
- Kevin D. Guidry, Secretary/Treasurer
- Mary Jo Bayles, Assistant Secretary/Treasurer
- John M. Cradure, Commissioner
- Jonathan L. Johnson, Commissioner
- Carl J. Krielow, Commissioner (Arrived at 5:17 p.m.)

Absent:

Also Present:

- Richert Self, Executive Director
- Jon Ringo, Executive Counsel
- Cameron Landry, Director of Administration and Finance
- Channing Hayden, Director of Navigation
- Todd Henderson, Director of Operations
- Therrance Chretien, Director of Cargo and Trade Development
- Nick Pestello, Director of Engineering and Maintenance
- Michelle Bolen, Executive Administrative Assistant

Mr. Lorenzi called the meeting to order at 5:00 P.M.

Mr. Guidry gave the invocation and led the Board and audience in the Pledge of Allegiance.

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

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1. Approval of the February 26, 2024 Regular Meeting Minutes.
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Mr. Prudhomme offered a motion to approve the February 26, 2024 Regular Meeting Minutes. Mr. Guidry seconded the motion and it carried unanimously.

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2. Submission 2024 – 012 authorizing the Executive Director to amend the CEA with the State of Louisiana and LMOGA.
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Mr. Self stated Submission 2024-012 extends the CEA with the State of Louisiana through DOTD and LMOGA to continue funding the Public Private Partnership (P3) for the Calcasieu Ship Channel. This relates to the public private partnership between the state industry and the Port. Currently, the state puts up \$5 million, the Port puts up \$2.5 million and industry puts up \$2.5 million. That goes toward adequately funding the non-federal sponsors portion to ensure that the Calcasieu Ship Channel is maintained at its proper depth. Originally, the CEA was signed in 2020 with a four-year term. This amendment and will extend it for another four years. This one will expire in 2028. Staff met with the state and everyone is in favor.

Ms. Bayles offered a motion to adopt Resolution 2024 – 012 to authorize the Executive Director to amend the CEA with the State of Louisiana and LMOGA. Mr. Cradure seconded the motion and it carried unanimously.

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3. Submission 2024 – 013 accepting the lowest responsive bid of Alfred Palma, LLC in the amount of \$1,024,060.00 for the base bid plus a contingency in the amount of \$300,000 for a total of \$1,324,060.00 for the Pet Coke Terminal Conveyor 5B Refurbishing.
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Mr. Self said staff requests the Board of Commissioners to authorize the Executive Director to accept the lowest responsive bid from Alfred Palma, LLC. for the pet coke terminal conveyor 5B refurbishment at BT-1. As mentioned in the Preamble, this relates to the 5B conveyor at BT-1. This was a conveying system that was heavily used around 2000 and prior. They have not used it in a while and this refurbishment does three things for them. First of all, it is going to provide some redundancy in the system. Secondly, it is going to allow staff to be able to load a ship using both ship loaders when they are in place. The third item is going to allow staff to load other commodities at BT-1. Bids went out in January. Staff received one bid from Alfred Palma of \$1,124,000. That is the base bid and the engineering estimate was \$1.1 million. It was actually a little bit below the engineering estimate. Mr. Guidry asked if that was the only bid that was submitted. Mr. Self stated it was. Staff only received one bid.

Mr. Johnson offered a motion to adopt Resolution 2024 – 013 to accept the lowest responsive bid of Alfred Palma, LLC in the amount of \$1,024,060.00 for the base bid plus a contingency in the amount of \$300,000 for a total of \$1,324,060.00 for the Pet Coke Terminal Conveyor 5B Refurbishing. Mr. Prudhomme seconded the motion and it carried unanimously.

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- 4. Submission 2024 – 014 authorizing the Executive Director to enter into a Cooperative Endeavor Agreement with Calcasieu Parish Communications District (E-911) for aerial photography.
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Mr. Self stated staff requests the Board of Commissioners to authorize the District to enter into a Cooperative Endeavor Agreement with the Calcasieu Parish Communications District for aerial photography with the cost share not to exceed \$45,000. This relates to a CEA the Port has with Calcasieu Parish. The Port joins with the tax assessor, the sheriff and some other local municipalities in sharing this cost. They fly this area of the Calcasieu. Cameron and the Ship Channel. Staff uses these aerial photos for their GIS system for the planning and development and marketing of Port Properties, deciding if there are other properties that they would be interested in acquiring and just really overall Port planning. Staff budgeted \$50,000 for 2024 and estimate the cost share to be \$45,000 or less. Ms. Bayles asked if staff has done this in the past. Mr. Self stated they have. They do it every couple of years.

Ms. Bayles offered a motion to adopt Resolution 2014 – 014 to authorize the Executive Director to enter into a Cooperative Endeavor Agreement with Calcasieu Parish Communications District (E-911) for aerial photography. Mr. Guidry seconded the motion and it carried unanimously.

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- 5. Submission 2024 – 015 accepting the lowest responsive bid of Alfred Palma, LLC in the amount of \$760,787.11 for the base bid plus a contingency in the amount of \$150,000 for a total of \$910,787.11 for the BT-1 Dock Modifications for Equipment Securing.
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Mr. Self stated staff requests the Board of Commissioners to authorize the Executive Director to accept the lowest responsive bid from Alfred Palma, LLC. for the BT-1 dock modification for equipment securing. This relates to some required dock modifications that they will have to undergo for the installation of some tie downs for the two new ship loaders, one of which will arrive in about two weeks. The design of these tie downs was done by Boos Navarre, Port consultant. The bids were issued in February. Two bids were received. The low bid was Alfred Palma at \$761,000.

Mr. Cradure offered a motion to adopt Resolution 2024 – 015 to accept the lowest responsive bid of Alfred Palma, LLC in the amount of \$760,787.11 for the base bid plus a contingency in the amount of \$150,000 for a total of \$910,787.11 for the BT-1 Dock Modifications for Equipment Securing. Mr. Prudhomme seconded the motion and it carried unanimously.

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- 6. February 2024 Financials Briefing Note.
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The January 2024 Financials Briefing Note was rendered to the Board and is on file in the Executive Offices.

7. FEMA/GOHSEP Briefing Note.

Mr. Landry stated the main thing obviously that he wanted to mention is that they received over the past month about \$5.2 million. Another \$1.5 million was pending until last week. Staff actually received that other \$1.5 million so they will see that on next month's report. This week staff was also able to submit another \$9.55 million, which will be being processed over the next month or so through their financing.

The FEMA/GOHSEP 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.

Mr. Landry stated that Shauna Davis, the Port's Grants Contract Management Specialist, has been working very hard to make sure funds are coming in as quickly as Mr. Pestello can spend them. She does most of the work to submit and receive funds from GOHSEP, Capital Outlay, Port Priority, LADOTD and all those things. Along with the funds he mentioned in the GOHSEP report. Staff also received a notification today that \$5 5 million has been processed by Louisiana DOTD related to the rail relocation project, which we should see in the Port's account tomorrow. He wanted to make sure everyone was aware of the hard work Ms. Davis putting in for this.

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 that NOAA, National Oceanic and Atmospheric Administration, maintains a system of sensors on the channel systems called PORTS – Physical Oceanic Real Time System. It measures air gap on the 210 Bridge, currents, direction and wind. It is used a lot by the pilots in bringing ships in and out of here. NOAA is the federal sponsor and the Lake Charles Harvard and terminal District is the non-federal sponsor, which means there is a 75/25 cost share with this system. It is for both operations and maintenance. The Port has an agreement with them for five years, which just started to continue the system. With all that as background, it has recently been discussed that the Port upgrade the system by putting visibility sensors in there. This would be either cameras or laser systems that measure visibility. That is in the works. There is a group going out tomorrow to ride down the Channel to see where the best place would be for those visibility systems of sensors because there is a fairly extended fog season, which impacts navigation on the channel. These sensors should be very helpful to deep draft navigation.

Mr. Cradure asked in regards to the 75/25, who is the 75 and who is 25? Mr. Hayden stated that it depends on what is going on and who is being funded. Right now, the Port is the 75. That being said, the Port is not out of pocket on this. The pilots collect an assessment from the vessels that come in. They transfer the money to the Port each month. Mr. Landry holds a reserve fund specially for this and out of that reserve fund, staff makes the monthly payments required under the contract. Staff is also responsible to replace equipment if it needs to be replaced. Both NOAA and the Port have surpluses in these funds because the contractual payments are based on assumptions. They have been fortunate and have not had to make a lot of replacements. There has not been a lot of damage, so they both have some surpluses. It may be that if they do end up putting these sensors in place, they have the money in hand already to make those purchases and do the installation.

The Director of Navigation'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.

Mr. Henderson stated that at City Dock they have had three barges of aluminum hydrate with about 5,000 tons, cargo transfers about 2,700 tons, a liquid ship with 5,000 tons and some project cargo coming up. Currently they are presently loading a rice a rice shipment of about 9,000 tons. On the schedule, they have another lumber vessel of 8,390 tons and some more aluminum hydrate barges.

At BT-1, they have done four coke ships of about 170,000 tons, two calcine ships and a barge of about 14,000 tons and two shipments of rutile. On the schedule, they have another coke shipped of about 30,000 tons, a rutile ship that is discharging right now. They have a barite ship of about 50,000 tons will be here the 1st of April and a bagged cement ship that is going to be here the first of April at BT-1.

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 Cargo and Trade Development.

Mr. Chretien stated they will be hosting visitors from the World Food Program and US AID from the DC office as well as the USDA commodity office in Kansas City. The Port was recently awarded about 14,500 tons of rice. It is going to be split between three countries in Africa. Supreme rice is going to supply all the rice for the shipments. They are coming in to visit do a site tour to meet as well as doing inspection of City Docks. Also this month, the Port is in Thrive Magazine. They have an ad on page five and an article on page 22. Staff is currently working on the article for the Lagniappe's annual economic report coming out next month.

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

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- 12. Monthly Staff report from Director of Engineering, Maintenance, and Development.
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Mr. Pestello said that all construction projects are progressing nicely. They wrapped up the City Docks rail crossing project last week. It now has the best pavement within City Docks. They are also staying busy with maintenance and repair projects both at BT-1 with some conveyor equipment and City Docks with utility and fender repairs.

Lastly, the new pet coke ship loader is on track to be delivered April 6 to begin its commissioning and testing phase. Staff is all very excited to finally get it here and get it started.

Mr. Prudhomme asked what was the time frame with regard to it being in place and able to load. Mr. Pestello said once the ship loader is on the dock around April 6 – 7th, it is going to have about two to three weeks of just setting it up and getting it all in place and then they will start the commissioning phase, which hopefully won't take too long because there will be ships there waiting so that we can actually recycle material through it. He expects about a full month of testing and commissioning.

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

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

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- 14. Monthly Staff report from the Federal Port Lobbyist.
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The Federal Lobbyist’s Monthly Staff Report was rendered to the Board and is on file in the Executive Offices.

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- 15. Other Matters which may properly come before the Board.
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There were no other matters to be discussed.

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

Mr. Johnson offered a motion to enter into Executive Session. Mr. Guidry seconded the motion and it carried unanimously. The Board entered into Executive Session at 5:19 p.m.

- IFG Port Holding, LLC vs LCHTD – Case: 2:16-cv-00146 U S District Court, Western District of Louisiana, Lake Charles Division.
- Turning Basin Site Remediation – Dynamic Industries, Inc.
- Damage to Berth 15 – Southern Ionics.

The Board returned from Executive Session at 5:43 p.m.

Mr. Lorenzi stated there was no action taken in Executive Session.

There being no further business to come before the Board, Mr. Lorenzi asked for a motion to adjourn. Ms. Bayles offered a motion to adjourn. Mr. Cradure seconded the motion and it carried unanimously. The meeting adjourned at 5:44 p.m.

All discussions held on the above items were recorded using the FTR Gold recording program.

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.

THOMAS L. LORENZI, President

ATTEST:

KEVIN D. GUIDRY, Secretary/ Treasurer