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 22, 2021 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 (arrived at 5:12 p.m.)

Thomas L. Lorenzi, Vice President

M. Keith Prudhomme, Secretary/Treasurer

Judy A. McCleary, Assistant Secretary/Treasurer

David J. Darbone, Commissioner

Dudley R. Dixon, Commissioner

Michael G. Eason, Commissioner

Absent:

 None

Also Present:

 Richert Self, Executive Director

Jon Ringo, General Counsel

Cameron Landry, Director of Administration and Finance

 Nick Pestello, Director of Engineering and Maintenance

 Therrance Chretien, Director of Cargo and Trade Development

 Channing Hayden, Director of Navigation

 Michelle Bolen, Executive Administrative Assistant

Mr. Lorenzi called the meeting to order at 5:00 P.M. and gave the invocation. Mr. Prudhomme 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 22, 2021 Regular Meeting Minutes and the March 2, 2021 Special Meeting Minutes.

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Mr. Darbone offered a motion to approve the February 22, 2021 Regular Meeting Minutes. Mr. Dixon seconded the motion and it carried unanimously. Mr. Darbone offered a motion to approved the March 2, 2021 Special Meeting Minutes. Mr. Eason seconded the motion and it carried unanimously.

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2. Submission 2021 – 012 accepting the only responsive bid of Lard Oil Company to supply motor fuel.

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Mr. Self said the Port sent out bids for unleaded fuel and diesel fuel for vehicles and equipment. They received one bid from Lard Oil Company on March 4. They requested bids from Cherokee services, Lard and Reladyne. Lard is the only one that submitted a bid. Their rate is the same rate that they quoted for 2020. It is a rate above the rack rate or a rate over the index, which is the same rate as they had for 2020.

Mr. Eason offered a motion to adopt Submission 2021 – 012 to accept the only responsive bid of Lard Oil Company to supply motor fuel. Ms. McCleary seconded the motion and it carried unanimously.

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3. Submission 2021 – 013 authorizing the Executive Director to enter into a CEA with DOTD for the Nelson Road Bridge Project.

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Mr. Self stated staff is requesting approval of a CEA with the Louisiana Department of Transportation and Development on the Nelson Road Bridge Project. It is the first step in the process. DOTD the requires a CEA to begin the process securing the land rights. DOTD anticipates breaking ground for bidding out the construction this fall.

Mr. Ringo agreed and said that this is the first step in the process. The CEA outlines in broad terms what the Port intends to do. They will get into the negotiations of the servitudes and land rights that they will need. This is, in general terms, allowing the Port to process.

Mr. Darbone stated that this is been on the books or 10 or 15 years. Mr. Self stated it dates back to 1978. Mr. Ringo stated it was known as the Port Access Road in 1978.

Mr. Dixon offered a motion to adopt Submission 2021 – 013 to authorize the Executive Director to enter into a CEA with DOTD for the Nelson Road Bridge Project. Mr. Eason seconded the motion and it carried unanimously.

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 4. February 2021 Financials Briefing Note.

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The February 2021 Financials were rendered to the Board and are on file in the Executive Offices.

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 5. Monthly Staff report from Director of Administration and Finance.

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

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 6. Monthly Staff report from Director of Navigation.

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Mr. Hayden showed a video presentation to the Board regarding the dredging areas. He stated what he wanted the Board to take away from this video is the amount of land that they are recapturing for the disposal of the material.

Mr. Prudhomme asked if this would go all the way up to the rock levy. Mr. Hayden replied that it would. They will eventually move all of those disposal sites to the rock levy. Mr. Self said that you can see how expansive it is going to be. It is going to at least double the size of the disposal area.

Mr. Hayden stated disposal area “E” was rebuilt a couple of years ago.

Mr. Self stated that not only will it double the size, it will prevent further washout.

Mr. Dixon asked how long it will take before the land can be used. Mr. Hayden replied that it depends on how it dries. They usually like to let it dry for one or two cycles, so that might be four years.

Mr. Lorenzi asked how deep is the water inside of the rock wall. Mr. Hayden said it was from zero to about 5 feet. The first step is going to be to take these levees on the lakeside and knock them down and then start pushing all of the mud that is already at the disposal site out to the rock wall. They will then rebuild the levees.

Ms. McCleary asked how much increased disposal capacity this will create. Mr. Hayden stated he could not tell her that. He can tell her that they can estimate that this will add about 700 acres to the disposal sites in the lake, but the process is for the Corps to go in and build levees, fill them up and go back and knock them down and keep reusing that area by rebuilding the levees up higher. They will continue to expand the use of those sites. He has no idea for how many years they will be able to do that. McCleary asked if there were any guesses regarding that. Mr. Hayden stated there were none.

Ms. McCleary asked what was the cost of this project. Mr. Hayden stated the estimate is around $79 million. He stated the Port received a big slug of money a couple years ago, which was $115 million that will go towards the construction on the rock wall right now. The rock wall is 100% federally funded. Moving the sites out the rock wall is considered construction, so that is 75% federal and 25% local. The $79 million was the initial cost for the Port for both real estate and the construction costs of the DMMP. This was not part of the DMMP. So that will increase the cost substantially.

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

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 7. Monthly Staff report from Director of Operations.

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

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 8. Monthly Staff report from Director of Cargo and Trade Development.

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Mr. Chretien said that they have a 12,000-ton commercial rice shipment coming in on Monday for the Dominican Republic.

They have two USDA shipments scheduled for late April and May totaling 19,000 tons of rice for west Africa.

They will be hosting the USA Rice Leadership Development Program group for a presentation and tour of City Docks.

There will be an advertisement in the April issue of Lagniappe magazine. They also will have an article going to print for the Thrive magazine. There are was also an article that came out today in the American Journal of Transportation.

He is also working on the first quarter traffic and tonnage forecast.

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

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Mr. Pestello said that all of the projects are progressing. As in his monthly report, all projects are moving forward. They are starting to get more materials in and contractors are on site making repairs to all of the buildings. They did receive bids on one of the replacement shiploaders. Prices are looking good. They have to go through and review all of their different options they were presented. The second shiploader is out for bid now. They should receive bids in six weeks.

The telestacker has been ordered so hopefully they can expedite it and get it on site.

They are also working on a more efficient method of getting pet coke to the dock on a temporary nature while they wait on the shiploaders. It is out for proposal right now. Hopefully they will be able to process coke much faster than they are now.

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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 10. 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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 11. Monthly Staff report from the Federal Port Lobbyist.

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

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

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There were no other matters to be discussed.

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

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Mr. Lorenzi asked for a motion to enter into Executive Session. Mr. Krielow offered a motion to enter into Executive Session. Mr. Prudhomme seconded the motion and it carried unanimously.

The Board entered into Executive Session at 5:18 p.m.

* Stacey A. Ryan, et al, vs no. 2014-004268 Calcasieu Parish Police Jury, LCHTD, et al-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.

The Board returned from Executive Session at 5:32 p.m.

There being no further business to come before the Board, Mr. Lorenzi asked for a motion to adjourn. Mr. Dixon offered a motion to adjourn. Mr. Eason seconded the motion and it carried unanimously. The meeting adjourned at 5:33 p.m.

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

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 THOMAS L. LORENZI, Vice President

ATTEST:

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M. KEITH PRUDHOMME, Secretary/ Treasurer