

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, September 24, 2018 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:

- Michael G. Eason, President
- John LeBlanc, Vice President
- Elcie J. Guillory, Secretary/Treasurer
- David J. Darbone, Assistant Secretary/Treasurer
- Dudley R. Dixon, Commissioner
- Carl J. Krielow, Commissioner
- Thomas L. Lorenzi, Commissioner

Absent:

None

Also Present:

- Bill Rase, Executive Director
- Richert Self, Deputy Executive Director/Director of Administration and Finance
- Michael Dees, General Counsel
- Jon Ringo, Assistant General Counsel
- Donald Brinkman, Director of Security/Engineering, Maintenance and Development
- Todd Henderson, Director of Operations
- Dan Loughney, Director of Marketing and Trade Development
- Michelle Bolen, Executive Administrative Assistant

Mr. Eason called the meeting to order at 5:01 P.M. and asked Mr. Dixon to give the invocation. Mr. Darbone led the Board and audience in the Pledge of Allegiance.

Mr. Eason asked if there was any public comment regarding any items on the agenda. No one asked to speak.

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1. Approval of the August 27, 2018 Regular Meeting Minutes and the September 10, 2018 Special Meeting Minutes.
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Mr. Dixon offered a motion to approve the August 27, 2018 Regular Meeting Minutes and the September 10, 2018 Special Meeting Minutes. Mr. Guillory seconded the motion and it carried unanimously.

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2. Submission 2018 – 030 accepting the lowest responsive bid of Orion Marine Construction, Inc. in the amount of \$270,572.76 for the base bid for the Wharf Damage at Transit Shed No. 5.
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Mr. Rase stated Shed 5 is one of the Port’s oldest sheds. In March they had a structure issue where the floor actually collapsed. It was built on creosote pilings in 1926. It became quite a large issue and they want to fix it properly. They went out with a design package. The project was recently bid. Staff is asking the Board to approve this bid. Orion was the lowest bidder at \$270,572.76 plus a \$40,000 contingency.

Mr. Darbone offered a motion to adopt Resolution 2018 – 030 accepting the lowest responsive bid of Orion Marine Construction, Inc. in the amount of \$270,572.76 for the base bid for the Wharf Damage at Transit Shed No. 5. Mr. Krielow seconded the motion and it carried unanimously.

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3. Submission 2018 – 031 accepting the lowest responsive bid of Purvis Industries for new idlers.
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Mr. Rase stated previously he had brought them belting at the last meeting or so. What happens at BT-1, which is mainly where they use conveyors, as they use the product up that they have in inventory, they have to replace that inventory. This is a replacement for the inventory. They solicited bids and Purvis was the bidder that had the proper idlers that they require. These will go back in inventory. Idlers go out quite often. They are something they need to have on hand to be able to operate BT-1.

Mr. Guillory offered a motion to adopt Resolution 2018 – 031 accepting the lowest responsive bid of Purvis Industries for new idlers. Mr. Dixon seconded the motion and it carried unanimously.

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4. Submission 2018 – 032 ratifying, confirming and authorizing the entering into and execution of a Project Partnership Agreement with the Department of the Army for the construction of the Louisiana coastal area beneficial use of dredged material program at Calcasieu/Sabine Project in Cameron Parish, Louisiana.
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Mr. Rase stated this is a beneficial use project in cooperation with CPRA, CORPS and the Port. They took a look at to see where a good beneficial use project could be placed. The CORPS agreed this could be one of those. The money is really not the Port’s money. It is money that is placed in the Port’s control by the CPRA. A year or two ago, they developed a plan where someone that was fined by DEQ, the court could attribute part of that money to this fund and use it for beneficial use. This is the first time that they are actually getting to use that

part of the project. The bid actually came in a little under what the CORPS had estimated. They will probably not use all of the money for this project. It is in a fund where the Port keeps track of the money. It is filtered between the CPRA and the CORPS. The Port is the middleman in the money chain. It is not Port money, but it is money that will be used for beneficial use.

Mr. Dixon offered a motion to adopt Resolution 2018 – 032 ratifying, confirming and authorizing the entering into and execution of a Project Partnership Agreement with the Department of the Army for the construction of the Louisiana coastal area beneficial use of dredged material program at Calcasieu/Sabine Project in Cameron Parish, Louisiana. Mr. Guillory seconded the motion.

Mr. Krielow asked that on these type of documents, is this something that will go through the new Navigation District at some point or is the Port doing this through that Memorandum of Understanding. He asked if the mechanics had changed since the Navigation District. Mr. Rase replied that the Navigation District is not in effect yet. The first meeting will be November 5, 2018. At that time, the decision will be made on different things, but until there is a call for the millage assessment, none of the Navigation District is really there. Eventually, he thinks this will transfer into that district, but the mechanics have not really been discussed. Basically, the Port's responsibility for the channel would then end. The Navigation District would then be the local sponsor for the channel, so any funding that would have to do with the channel, in his opinion, move to the Navigation District.

Mr. Krielow stated that until such time that they actually have funds to work with. Did not the legislation provide for a Memorandum of Understanding where the Port would step into their shoes? Mr. Rase replied that the Port is holding their same spot that they have had since the sixties. They will hold that spot until the Navigation District either is funded or not funded. It is really not the funding, it is the decision to fund or not fund. Then they will have a CEA that will carry them for those remaining two or three years. If it is voted on and passed, it will still take two or three years for the money to actually become available. They will be working off of the CEA at point. They may elect to just leave it like it is for the financial side of things. He does not think they have gotten to those steps yet. Mr. Krielow asked if the MOU had been done that was required in the legislation.

Mr. Ringo replied that there has been a draft, but the new Navigation District Board has not been seated and have not reviewed anything. It will be their decision as much as it is this Board's decision on that CEA. They have been working conceptually with Senator Morrish, but until the Board is seated and has a first meeting, the Port is just maintaining its status as the local sponsor. They legislation provided for that.

Mr. LeBlanc asked that is says Cameron Parish. Is this in Black Lake where this will take place? Mr. Rase stated it was the Sabine National Refuge. Mr. LeBlanc stated it was not clear where it would be.

Mr. Lorenzi it indicates there are two projects. Mr. Rase it has to do with the rock wall and where it meets and the material going in. Mr. Regan Brown stated there are two sites of open water in the refuge on the west side of Highway 27.

The motion carried unanimously.

5. Study of Import/Export Traffic Flows Briefing Note

The Study of Import/Export Traffic Flows Briefing Note was rendered to the Board and is on file in the Executive Offices.

6. Firearms Training Facility Briefing Note

The Firearms Training Facility Briefing Note was rendered to the Board and is on file in the Executive Offices.

7. August 2018 Financials Briefing Note

The August 2018 Financials Briefing Note was rendered to the Board and is on file in the Executive Offices.

8. Monthly Staff report from Deputy Executive Director Monthly Report.

The Deputy Executive Director's Monthly Staff Report was rendered to the Board and is on file in the Executive Offices.

9. Monthly Staff report from Director of Navigation.

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.

The Director of Operations' 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 Director of Marketing and Trade Development.
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The Director of Marketing 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 and Security.
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Mr. Brinkman stated that on the security side, they were successful on their partnership with the CPSO and received a million dollar Port Security Grant.

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.

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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. Executive Session and appropriate action in any of the following matters:
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Mr. Eason stated the Board would 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

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

There being no further business to come before the Board, Mr. Eason asked for a motion and second to adjourn. Mr. Guillory offered a motion to adjourn. Mr. Darbone seconded the motion and it carried unanimously. The meeting adjourned at 5:23 p.m.

All discussions held on the above items were recorded using the FTR Gold program, and saved on the District's main file server in the District's office.

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.

MICHAEL G. EASON, President

ATTEST:

ELCIE J. GUILLORY, Secretary/ Treasurer