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, January 23, 2023 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

David J. Darbone, Assistant Secretary/Treasurer

Mary Jo Bayles, Commissioner

Dudley R. Dixon, Commissioner

Carl J. Krielow, Commissioner

Absent:

 None

Also Present:

 Richert Self, Executive Director

Jon Ringo, General 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

 Michelle Bolen, Executive Administrative Assistant

Mr. Lorenzi called the meeting to order at 5:01 P.M. Mr. Krielow gave the invocation. Ms. Bayles 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 December 19, 2022 Regular Meeting Minutes.

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Mr. Krielow offered a motion to approve the November 19, 2022 Regular Meeting Minutes. Mr. Darbone seconded the motion and it carried unanimously.

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2. Submission 2023 – 001 authorizing an addendum Number Thirteen to Real Estate Lease Option Agreement with Lake Charles Methanol, LLC..

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Mr. Self stated Lake Charles Methanol has asked that the Board to consider tabling this item to give Port staff and Lake Charles Methanol time to look at the underlying lease tied to this option.

Mr. Krielow offered a motion to table Submission 2023-001. Mr. Guidry seconded the motion and it carried unanimously.

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3. Submission 2023 – 002 authorizing the Lake Charles Harbor and Terminal District to enter into an agreement with the State of Louisiana, Facility Planning and Control under the Capital Outlay Program for assistance in the implementation of a port improvement project; providing for the necessary documentation of the need for the port improvement; and providing for other matters in connection therewith.

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Mr. Self stated staff requests the Board to authorize the District to enter into an agreement with the State of Louisiana Facility Planning and Control Capital Outlay program. The Port applied for funding through the State's Capital Outlay process for the 4, 5 and 6 project. They were very successful in that and received $96 million of which $13 million is cash. This submission requests authority to enter into an agreement with Capital Outlay to receive the funding.

Mr. Dixon offered a motion to adopt Resolution 2023 – 002 to authorize the Lake Charles Harbor and Terminal District to enter into an agreement with the State of Louisiana, Facility Planning and Control under the Capital Outlay Program for assistance in the implementation of a port improvement project; providing for the necessary documentation of the need for the port improvement; and providing for other matters in connection therewith. Mr. Prudhomme seconded the motion and it carried unanimously.

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4. Submission 2023 – 003 authorizing the Lake Charles Harbor and Terminal District to enter into an amendment to an agreement with the State of Louisiana, Department of Transportation and Development under the Louisiana Port Construction and Development Priority Program for assistance in the implementation of a port improvement project; providing for the necessary documentation of the need for the port improvement; and providing for other matters in connection therewith.

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Mr. Self stated staff requests the Board to authorize the District to amend the agreement with the State of Louisiana Department of Transportation and Development under the Louisiana Port Construction and Development program previously applied and was awarded funding for a project at BT-1. This submission is amending that prior award to change the name from BT-1 Berth Expansion to BT-1 Bulk Storage Expansion. It is for a project that the Board has already approved. It is just amending that Port Priority name to basically change the name.

Mr. Darbone offered a motion to adopt Resolution 2023 – 003 to authorize the Lake Charles Harbor and Terminal District to enter into an amendment to an agreement with the State of Louisiana, Department of Transportation and Development under the Louisiana Port Construction and Development Priority Program for assistance in the implementation of a port improvement project; providing for the necessary documentation of the need for the port improvement; and providing for other matters in connection therewith. Ms. Bayles seconded the motion and it carried unanimously.

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 5. Executive Director Quarterly Expenses Briefing Note.

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

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 6. DBE Briefing Note.

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

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 7. December 2022 Financials Briefing Note.

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The December 2022 Financials Briefing Note was rendered to the Board and is on file in the Executive Offices.

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 8. FEMA/GOHSEP Briefing Note.

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Mr. Landry stated that project totals decreased a little bit as mentioned in the previous meetings. Those project totals will go up and down. One of the biggest things happened last week. The project 4, 5 and 6, six, which they are going back and forth with FEMA on, has been pushed along in the process. Some of the documentation is being submitted now for review, which is one step further than we were last time they were here. It is great news and it is actually being pushed through at a higher value than originally anticipated. It is actually going through it around $45.8 million, which is great news going forward as well as the unloaders are in that same process both at around $20 million. In peer review right now, he is looking at around $85.8million and in that step they are very close to being obligated. Once it is done with peer review, that is when it becomes obligated. They are very close with those projects. Mr. Pestello added that regarding the 4, 5 and 6, it was originally estimated that they would only be successful for about $15 million. It is a pretty substantial win. They were able to get the 50% rule for the building replacement..

The FEMA/GOHSEP Briefing Note was rendered to the Board and is on file in the Executive Offices.

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

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Mr. Landry stated that with FY22 being completed, staff and he are just working on year-end and year-ahead items, the upcoming audit, credit reviews and then required year-end financial submissions.

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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 10. Monthly Staff report from Director of Navigation.

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Mr. Hayden stated they have begun the push to get proper funding for the channel this year. They are collecting data. He has gotten information from the Corps of Engineers. He will be putting their presentation together in anticipation of getting into Washington sometime around April. He stated their ask this year is going to basically be $50 million dollars in O&M funding and $9 million in unrestricted construction funding.

They are still working on FY23. Those are going to be the requests for FY24. He stated they needed $54 million in O&M in FY23 and $19.5 million in unrestricted construction funds. The Port received $28.2 million in O&M and $9 million in restricted construction funds. They are still working to get the additional $26 million through the CORPS’ work plan. The CORPS gets money that it can divide up among the ports in the United States. They are trying to get an additional $26 million in O&M and still trying to get $19.5 million in unrestricted construction. That $19.5 million is important because it will allow the CORPS to begin to rebuilding one of the really big sites, Disposal Area D, which is close to Cameron LNG.

The Director of Navigation’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 Director of Operations.

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Mr. Henderson stated that at City Docks, they handled about eight barges of aluminum hydrate. IFG completed a bulk rice shipment and a barge was loaded with bulk rice. Both of the ship and the barge were bulk rice. They did two cargo transfers about 14,000 tons, two Lumber vessels that were about 52,000 cubic meters and about 4,000 cubic meters of steel.

Coming up at City Docks, they have another lumber vessel that is going to be about 34,000 cubic meters, 4,000 tons of hydrate and 7,000 tons of sodium hydrosulfide.

At BT-1, they finished off a rutile ship of about 11,000 tons Close to 90,000 tons of raw coke was handled in the last part of the year. Also, about 5,000 tons of calcine was handled. They have about four ships scheduled for raw coke for another 30,000 tons, another rutile ship of about 11,000 tons and two barite ships, which should be close to about 50,000 tons.

The Director of Operations’ 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 Cargo and Trade Development.

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Mr. Chretien stated they recently and successfully bid a USDA rice tender of 14,400 tons of rice. All but 400 tons are coming from Louisiana rice mills. It should ship out sometime in mid-March.

He has also been working with a pipe company who has a pipe project of about a 110,000 tons of pipe. If successful, this would ship out the third quarter of this year. Staff has had several visits from different groups interested in the Industrial Canal property for various projects.

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

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Mr. Pestello stated that regarding Berths 4, 5 and 6, with the good news out of FEMA and the execution of the CEA, they just spoke about earlier, staff is going to move forward with the pile testing program so that they can try to realize the final savings they can get with the contractor prior to moving forward with that project. He also received word that the groundbreaking for the Nelson Road Extension is moving forward. It is tentatively scheduled for the first week of February.

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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14. 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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 15. 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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16. 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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 17. Executive Session and appropriate action in any of the following matters:

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The Board did not enter into Executive Session.

* 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.

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. Prudhomme seconded the motion and it carried unanimously. The meeting adjourned at 5:21 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.

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 THOMAS L. LORENZI, President

ATTEST:

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KEVIN D. GUIDRY, Secretary/ Treasurer