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, August 28, 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

Mary Jo Bayles, Assistant Secretary/Treasurer

Carl J. Krielow, Commissioner

Absent:

Mr. Dudley Dixon, Commissioner

Also Present:

Richert Self, Executive Director

Jon Ringo, Executive Counsel

Cameron Landry, Director of Administration and Finance

Channing Hayden, Director of Navigation

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. Mr. Krielow 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 July 24, 2023 Regular Meeting Minutes.

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Ms. Bayles offered a motion to approve the July 24, 2023 Regular Meeting Minutes. Mr. Guidry seconded the motion and it carried unanimously.

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2. Submission 2023 – 045 authorizing the Executive Director to enter into a Professional Services Agreement for engineering services with PND Engineers, Inc. for the BT-1 Shoreline Stabilization.

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Mr. Self stated staff requests the Board of Commissioners to authorize the Executive Director to enter into a Professional Services Agreement for engineering services with PND Engineers to provide design services for BT-1, the Shore Stabilization Project. This submission relates to Engineering Design for a bulkhead at BT-1, PND prepared, a drawing, and specs or a court permit for this project act. When complete, this bulkhead will provide additional shoreline

stabilization of BT-1. It will also provide the storm water; stormwater containment will be directed to our diversion pond at BT-1. Staff estimates a cost of two $268,992 plus a $50,000 contingency.

Mr. Krielow offered a motion to adopt Resolution 2023 – 045 to authorize the Executive Director to enter into a Professional Services Agreement for engineering services with PND Engineers, Inc. for the BT-1 Shoreline Stabilization. Mr. Guidry seconded the motion.

Mr. Prudhomme asked if this goes west towards Lake Charles Methanol. Mr. Self replied that it is near Halliburton because they are in between the Port and Lake Charles Methanol.

The motion and it carried unanimously.

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3. Submission 2023 – 046 authorizing the Executive Director to enter into a Professional Services Agreement for engineering services with Southern Integrated Solutions & Consulting for the Modicon to Allen-Bradley upgrade at BT-1 and to amend the 2023 capital budget.

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Mr. Self stated staff requests the Board of Commissioners to authorize the Executive Director to enter to Professional Services Agreement for engineering services with Southern Integrated Solutions and Consulting to provide design services for the Modicon to Allen Bradley upgraded BT-1. At BT-1, there are numerous components, conveyors, scales, shoots, conveying systems and reclaimers that all use different technologies. Some of it is a newer technology. Some of it is an older technology. This project will convert all of the Modicon program PLCs programmable logic controllers from Modicon to Allen Bradley and get it on a consistent basis for us. The Modicon exceeded its useful life and needs to be updated. It needs to be converted all to a more updated technology.

Mr. Prudhomme offered a motion to adopt Resolution 2023 – 046 to authorize the Executive Director to enter into a Professional Services Agreement for engineering services with Southern Integrated Solutions & Consulting for the Modicon to Allen-Bradley upgrade at BT-1 and to amend the 2023 capital budget. Ms. Bayles seconded the motion and it carried unanimously.

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4. Submission 2023 – 047 authorizing the Executive Director to enter into a service agreement with Liebherr USA, Co. for maintenance services relating to the Liebherr Mobile Harbor Crane at BT-1.

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Mr. Self stated staff requests the Board of Commissioners to authorize the Executive Director to enter to a service agreement with Liebherr USA to provide maintenance services for the Liebherr Mobile Harbor Crane at BT-1. The Port commissioned, the Mobile Harbor Crane in 2020. They use it nearly twenty-four hours a day loading and unloading cargo at BT-1. This service agreement with will add an additional two years to that piece of equipment. Staff estimates a cost of $300,000, but it spans over two years. They have $200,000 budgeted this year and any remaining amounts would be budgeted for next year whenever they submit the budget for 2024.

Mr. Krielow offered a motion to adopt Resolution 2023 – 047 to authorize the Executive Director to enter into a service agreement with Liebherr USA, Co. for maintenance services relating to the Liebherr Mobile Harbor Crane at BT-1. Mr. Guidry seconded the motion and it carried unanimously.

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5. Submission 2023 – 048 accepting the lowest responsive bid from Bruin Environmental and Remediation Services, LLC in the amount of $338,500 for the base bid plus a contingency in the amount of $50,000 for a total of $388,500 for the Creosote Impacted Drainage Ditch Remediation.

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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 Bruin Environmental and Remediation Service, LLC. for the Creosote Impacted Drainage Ditch Remediation. In 2020, when staff was doing one of the rail construction projects at City Docks, they discovered some creosote in a low-lying area. DEQ has reviewed and approved a corrective action plan. In July, staff went out for bid. Staff received four bids in August. The lowest bid was Bruin Environmental Remediation Services at a cost of $338,000 plus a $50,000 contingency for total of $388,000. Staff budgeted $400,000 for it.

Mr. Prudhomme offered a motion to adopt Resolution 2023 – 048 to accept the lowest responsive bid from Bruin Environmental and Remediation Services, LLC in the amount of $338,500 for the base bid plus a contingency in the amount of $50,000 for a total of $388,500 for the Creosote Impacted Drainage Ditch Remediation. Ms. Bayles seconded the motion.

Mr. Lorenzi asked if there was a possibility of any of this being recoverable. Mr. Ringo replied that there is not. It has been there for a very long time. Staff does not know when it was put in there. It goes back many, many years. Mr. Pestello stated that was right. At one time, there was a storage tank where they handled and exported the creosote. They are not sure when the spill happened or if it was years and years ago and it just accumulated in the ditch. Mr. Pestello stated he agrees with Mr. Ringo. He is not sure who they would be able to go back with to have it cleaned up.

The motion carried unanimously.

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7. July 2023 Financials Briefing Note.

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The July 2023 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 regarding the FEMA/GOHSEP report, projects increase and decrease. Staff had an increase of $4.4 million in projects and then are obligated. As mentioned last month, a lot of those big projects that were being held up in the FEMA system were now pushed through. So, you see the obligated increase about $82-83 million. That $83 million actually pushes them over 95% of total dollars obligated. They have roughly only $5 million left to be obligated. They are getting very close to the obligated number. Now, they just have to spend it to get it. Staff is working on that.

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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Regarding his monthly report, they need to spend that FEMA money to get it. In the last couple weeks, staff has actually submitted about $7.5 million to be reimbursed, which is more than they have already received in the past two and a half years. So, hopefully soon they will almost double more than what they have received so far.

Ms. Bayles asked if the Port is on the express pay for FEMA. Mr. Landry replied that the Port is. Mr. Krielow asked if the $7. million is for multiple projects. Mr. Landry stated it was. It is parts of parts of several projects. It is a few full small projects and then parts of some others

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 he would give an update on the Rices whale. That is the whale that was recently designated in the Gulf as an endangered species. There was supposed to be a public hearing this Wednesday that staff was going to participate in, but they cancelled it because of the storm moving into the Gulf. A number of other organizations have come out in opposition to these regulations. At last count, there were like 175,000 comments submitted on this proposal. There are 50 whales and 175,000 comments.

Congressman Higgins and Congressman Dunn from Florida introduced a bill that would prevent NOAA from implementing these guidelines. In what may be an end run, the Bureau of Ocean Energy Management Boeing, who regulates all the drilling in the Gulf of Mexico, said that they going to add the NOAA restrictions of a speed limit, no nighttime transits, the requirements for lookouts, etcetera to all new leases issued in the Gulf of Mexico for drilling. This is in addition to the 6 million or so acres that the administration took out of the upcoming lease package. So, there is a lot of activity on this issue. There are a couple of more organizations that represent the offshore vessel industry that have come out to be opposed to these regulations. Most every charter boat captain in the Gulf has written as part of the 175,000 comments. Because it is really going to hurt them. That is an update. He hoped to be able to tell the Board next month about what happened at the public hearing. At this point, he just got the announcement this afternoon. They don't know whether it's going to be rescheduled or whether they are just going to go with the comments that are submitted.

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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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 that currently they have four dry bulk cargo opportunities that they are working on. Two are LNG related for the expansion of the CP2 and then the other two could be long-term imports whether in bulk or in Super Sacks. They are also talking to a steel manufacturer that is looking to fabricate steel modular homes. They are planning on site visits in the next few weeks. They did come down early this month but it was a short visit for about fifteen, 20 minutes. They are planning the second trip to come down and look at the Port’s properties.

This week he will be attending the LA Forestry Convention for Louisiana Forestry here at the Lake Charles at Golden Nugget.

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 said he wanted to give a quick update on pretty much everything right now. They currently have 10 projects in construction. The new warehouse project is really ramping up with Alfred Palma. The demolition is complete and they are going to begin drill shaft foundations later this week depending upon the rain now. They wrapped up main and stretching with Mike Hooks at BT-1 and City Docks.

Berths 2 and 3, construction with Bow Brothers is nearing completion with the final deck floor scheduled for next week. Today, they opened bids for the BT-1 bulk storage pad and it came in under the engineer's estimate for first time in a very long time. It is in line with their Port Priority funding request. He will be bringing that to the Board next month for award. That project will be covered 90% by Port Priority.

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 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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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 5:19 p.m.

* + IFG Port Holding, LLC vs LCHTD – Case: 2:16-cv-00146 U S District Court, Western District of Louisiana, Lake Charles Division.
  + Sallier St. Rail Relocation – Acquisition of Property needed for the Rail Road Right of Way.
  + Lease Agreement with Big Lake Fuels, LLC.
  + Stacey A. Ryan, et al, vs no. 2014-004268 Calcasieu Parish Police Jury, LCHTD, et al -14th JDC, State of LA.

The Board returned from Executive Session at 5:37 p.m.

Mr. Lorenzi stated there were two items to be decided upon after Executive Session.

Mr. Prudhomme offered a motion to adopt Resolution 2023 – 049 authorizing the Executive Counsel to file litigation against Terral River Services, C&J Marine, and others for damage to Berths 5 and 6.Mr. Guidry seconded the motion and it carried unanimously.

Mr. Prudhomme offered a motion to adopt Resolution 2023 – 050 authorizing the Executive Counsel to file litigation against Dynamic Industries, Inc., and others for damage to Port Property located at the Industrial Canal. Mr. Guidry seconded the motion and it carried unanimously

There being no further business to come before the Board, Mr. Lorenzi asked for a motion to adjourn. Mr. Prudhomme offered a motion to adjourn. Mr. Guidry seconded the motion and it carried unanimously. The meeting adjourned at 5:39 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