

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 29, 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 (arrived at 5:08 p.m.)
- Mary Jo Bayles, Assistant Secretary/Treasurer
- Jonathan L. Johnson, Commissioner
- Carl J. Krielow, Commissioner

Absent:

- John M. Cradure, Commissioner

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
- 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. Johnson 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 December 18, 2023 Regular Meeting Minutes.
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Mr. Johnson offered a motion to approve the December 18, 2023 Regular Meeting Minutes. Ms. Bayles seconded the motion and it carried unanimously.

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- 2. Submission 2024 – 001 approving revisions to the Port of Lake Charles Tariff No. 013.
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Mr. Self stated staff requests Board approval to revise the District's Tariff Number 013 for items 380 and 721. There were two items that they had planned to have on the December submission. One of which was the requirement that a stevedore is going to be used if a company is going to be loading and unloading cargo at any terminals. Regarding the second item, there was an incorrect amount on the security fee percentage that was included in that submission. This is just correcting those two items.

Mr. Krielow offered a motion to adopt Resolution 2024 – 001 to approve revisions to the Port of Lake Charles Tariff No. 013. Mr. Prudhomme seconded the motion and it carried unanimously.

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- 3. Submission 2024 – 002 authorizing the Executive Director to enter into an amendment to the Lease Agreement with Phillips 66.
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Mr. Self said approval is sought to enter into an amendment to the lease agreement with Philip 66 for the five-year term lease of the coke pad and certain silos of the Port's BT-1 facility. Philip 66 exports petroleum coke and calcine coke through BT-1. They currently lease the green coke pad and the wood chip pad. They move calcine through the silos and are very interested in leasing the silos. It is going to give them exclusivity on the silos, which the Port has no other use for that at this point. The other item relates to the construction of a new coke pad. Once the new coke pad is complete, they will terminate the lease of the wood chip pad. Staff has already had some interest from some other folks about leasing the wood chip pad. It is kind of a perfect little storm.

Ms. Bayles offered a motion to adopt Resolution 2024 – 002 to authorize the Executive Director to enter into an amendment to the Lease Agreement with Phillips 66. Mr. Krielow seconded the motion and it carried unanimously.

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- 4. Submission 2024 – 003 authorizing a Pipeline Servitude Agreement with Venture Global CP Express, LLC.
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Mr. Self said approval is sought to enter into a servitude agreement with Venture Global CP Express LLC. to provide for the installation of a pipeline across Port property.

This agenda item relates to Venture Global requesting a servitude to install a pipeline on Port owned property along the Ship Channel. It also involves the rental of six acres that they want to use for lay down. It will provide the Port with a one-time payment of about \$251,000 for the servitude and the rental on the lay down site.

Mr. Krielow offered a motion to adopt Resolution 2024 – 003 to authorize a Pipeline Servitude Agreement with Venture Global CP Express, LLC. Mr. Johnson seconded the motion and it carried unanimously.

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- 5. Submission 2024 – 004 authorizing the Executive Director to amend Resolution 2021-043, the professional services agreement with Boos Navarre, LLC for an increase in the design fee for the two (2) bulk material loaders for BT-1.
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Mr. Self stated staff requests the Board of Commissioners to authorize Executive Director to amend Resolution 2021 – 043 for Professional Services with Boos Navarre LLC. for an increase of the design fee in the amount of \$300,000 for the two bulk material loaders for BT-1.

There have been some delays on the group that is fabricating and constructing the ship loaders. Thankfully, staff can say that the first of which is going to arrive in in the coming months of February – March time frame. That loader will be used to load pet coke. Boos Navarre has been intimately involved during the design review inspection and commissioning of the of the first one. They will also be involved with the one that is under construction for the calcine export.

He wanted to mention that they have liquidated damages included with this contract, not with Boos Navarre, but with the contractor and the liquidated damages are going to far exceed the amount staff is requesting to increase Boos Navarre’s fee. Mr. Prudhomme asked if they were late damages. Mr. Self said they were late. Mr. Self said they had some force majeure language that allowed them to push it to December of 2022. They are essentially a year late at this point.

Mr. Johnson offered a motion to adopt Resolution 2024 – 004 to authorize the Executive Director to amend Resolution 2021-043, the professional services agreement with Boos Navarre, LLC for an increase in the design fee for the two (2) bulk material loaders for BT-1. Ms. Bayles seconded the motion and it carried unanimously.

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- 6. Submission 2024 – 005 authorizing the Executive Director to submit a letter of mutual agreement to the Louisiana Department of Transportation.
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Mr. Self stated this is a request from DOT asking whether or not the construction of the I-10 bridge will impact Port property. Because the Calcasieu Ship Channel ends just before the I-10 bridge, it is staff’s representation that it is not going to impact Port facilities and are requesting approval to sign the letter to send the DOTD stating as such.

Mr. Lorenzi recognized Mr. Joe Donahue, Secretary of Louisiana Department of Transportation, to address the Board. He has a presentation that is prepared on PowerPoint and will give an overview of some of the changes that have occurred, particularly with the new administration and negotiations from the previous deal that had been presented to the Port and to JTC last

year. He wanted to talk about the need for the project. He believes that most of the folks in this room have a good idea of why the project is needed and how they got to the point where they are at today. This is a summary and a brief overview of the changes that have been negotiated in the contract for the public private partnership. The proposed toll rates or the steps that will go to actually finalize this project and get it to construction and then the legal requirements and the requests to the Board basically to concur and moving this project forward.

The I-10 Calcasieu River Bridge was not built as part of the Interstate System. It actually predates the interstate system. It was incorporated into it once the Dwight D. Eisenhower Interstate System came about. Currently, it is over 70 years old and it requires frequent repairs and costly repairs. The bridge does not meet the design criteria for an interstate bridge. It has no shoulders for instance. The incline is at a very steep grade that does not meet current design standards and at present it has over 70,000 vehicles a day that cross the bridge. The scope of the entire project is from I-10/210 interchange on the west all the way to I-10/210 interchange on the east. The portion that will be part of the public private partnership project is from about Ryan Street to I-210 west. That includes the bridge portion. The remainder of it will be I-210 west to the Ryan Street exit. There will be a new six-lane bridge. Currently, it is only a four-lane bridge. The creation of a six-lane continuity is it will have it throughout the corridor. There will be six lanes as opposed to going down to two lanes from three lanes if you are coming from Texas. The modification and relocation of the interchanges that are in the vicinity of the project within the project footprint, which includes an elevated Samson Street interchange with I-10.

The project will involve a new revenue collection system. This will be transponders for the tolling that occurs over there and back office that is provided by the private equity partners. At the end, once traffic is open to the new bridge, they will demolish existing I-10 bridge and so you will just have the new bridge there once the project is complete.

The planning for this project actually began in the mid-90's and through the planning process and the environmental process, it was determined that it was a viable candidate for a public private partnership. In December of 2020, the Joint House and Senate Transportation Committee in the legislature voted to move this forward as a P3 project. After a multiple year procurement process in which several different entities participated and two eventually submitted proposals, Calcasieu Bridge Partners was selected as the successful proposer whose proposal provided the most benefit to the people of the state of Louisiana. In October of 2023, the prior administration came both before the Port and JTC. Neither of them approved the project to go forward under the terms that were then proposed including the toll schedule that was in place at that point. Shortly after that he and members of the local I-10 task force Bart Yakupzack and Keith DeRousseau engaged with the entities in the Calcasieu Bridge partners to evaluate whether or not it was worth the effort of trying to salvage the public private partnership or in the Governor's mind whether it would be better to abandon the private part of that and just pursue this project local public authority toll project. It would not have gotten rid of the tolls, but there would have been no private partner. After very limited and brief and intense negotiations, the proposed CA, the agreement that DOTD will enter into with the private partner, those terms have been reduced to contractual language and has the details that he is going to summarize.

The first thing is an expansion of the local toll rate discount. Users of the facility that register for a toll tag, which is free, and live within the Calcasieu Parish and/or also the four surrounding

parishes will be eligible for a \$.25 toll rate regardless of the size of the vehicle as long as it is a private vehicle. Previously, the local discount was limited to vehicles that were 20 ft. in length or less. So, a pickup truck towing a trailer or anything like that a boat would have been kicked up into the large truck category and they would have paid \$12.50. Now, as long as it is a private vehicle registered in one of those five parishes, with the transponder a person will pay \$.25.

There was a fair amount of opposition particularly at the Joint Transportation Committee from the trucking industry. Looking at the toll rates and some internal analyses that was done, it was determined that there was a bit too much reliance upon commerce of the trucking industry to pay their tolls. He has a slide later that shows some of DOTD's internal analysis, but in the original deal it was \$12.50 for a large truck. That is now reduced over a third to \$8.25 cents. That is with the free transponder.

The other thing was a result of direct negotiation involving the Governor. This was his idea. They have negotiated for a share of the toll revenues on the back end once construction is complete and tolling starts the state will receive and the exact precise percentage will be fixed at financial close. Between 14% and 16% of the revenue that is collected after payment of O&M expenses, the state will get that back. Those funds will be deposited into an escrow account and will be dedicated to either buying down the toll rates further reducing the length of the 50-year term of the concession. Or, it could be used for infrastructure projects within that same five parish region for other state projects. Under the terms of the new deal, originally the state was retaining about \$415 million in costs and/or risks in order to bring this project forward. That has been reduced to \$280 million largely from an as yet confirmed design change, which will allow the bridge to actually span over the P66 pipe racks and the rail that is over there, which was one of the big sources of potential delays moving forward. The market has also been favorable. When this was considered in October by the Port and JTC, the market has since changed and that reduces the amount of public funds that have to be contributed for the project to the tune in excess of \$100 million. That is not the result of negotiations. That is just a shift in the market. These are the sources of the funds. There was a little bit of change because some of the money had to be moved around in order to make certain that it was used before certain dates. Still, \$800 million that was the original and then the large truck the reduction in the toll rate is about an additional \$400 million that the state will be contributing in order to relieve the trucking industry and commerce of that additional outside burden. Talking about the savings and the reductions they have the \$25 million for the rail relocation, \$10 million pipe rack relocation and \$125 million potential delays because those are very complex processes particularly the right-of-way acquisition and the relocating P66's facilities with the pipe rack were expected to take a lot of time and result in some delay claims and increasing the cost basically to the private developer for not being able to accomplish those things in time to move construction.

These are the proposed toll rates. There are four classifications. There is local vehicle, which again is any size as long as it is private and registered in the five-parish area. Auto, which is less than 20 ft. Then medium trucks defined as neither an auto or a large truck and large trucks which is greater than 35 ft. They have two rates in the schedule for each of those classifications. One, if you get one of the free transponder toll tags, one if you do not. Of course, without a toll tag it costs a little bit more to encourage adoption of the transponders and to also account for some of the extra costs that are needed whenever it is not already registered as part of the system. Also, local vehicles and autos will be eligible for a 50% HOV discount. If you are a local

vehicle and you register for this you will pay \$.13 instead of the \$.25 for that. It does require a different toll tag, which is a nominal cost \$5 to \$10 that you can switch on and let and determine when you have the three occupants in the vehicle that are necessary to be eligible for that discount. What they have for the actual rates. The local vehicles all sizes are \$.25 and the auto and medium truck rates are \$2.50 and \$2.55. These are unchanged from the prior proposal. The large truck rate is what is changed drastically from \$12.36 to \$8.25. This is all of the smaller tax down there.

Where do they go from here? They were supposed to have this meeting first. This one is for the timeline for JTC tomorrow. If they advance beyond this meeting today, tomorrow they are scheduled to go in front of the Joint House and Senate Transportation committees and ask for their approval to move to the next steps. The day after that, they will execute the contract. At that point, the marketing of the bonds starts and with the financing portion of that the private developer starts putting those wheels in motion. There are two meetings that must be held before the State Bond Commission. There is also a meeting of the Louisiana Public Facilities Authority that that must be conducted in order to allow the sale of these bonds and the financing of the private equity to go through. This is the legal requirement. This is the statute that basically says whenever there is a public private partnership project that DOTD is moving forward and it's located in the jurisdiction of a Port Authority, that they need the mutual written consent of the Port in order to move the project forward and advance it to construction.

He referenced the internal DOTD analyses. This was in 2022. The middle column shows internal DOTD analysis of what the appropriate size toll rate would be. At the time these estimates were raised or were determined, the anticipated cost of the project was \$1.7 billion. It has since increased and it will be a \$2.1 billion design build construction cost for the bridge. These are lower. The auto is \$3.00, the medium truck is \$6.00 and the large truck is \$9.00 in every single category. The deal that has now been negotiated beats in every single category. Whereas before, the large truck toll rate was a bit outsized. The other folks were within the limits that DOTD had determined internally, but the point being is that the Governor's analysis and what he tasked the folks and him in particular and looking at whenever we first started looking at it was is it appropriate to basically just abandon this public private partnership and pursue it as a public tolling authority and do it ourselves. To him and from the user perspective in the event that was what occurred, it would result in larger toll rates. This is the lowest the toll rates will ever be under the deal that is being proposed today. He thinks that is what is in the Governor's mind and in his mind too. From the view of the folks that are going to use this facility, this makes the most sense to move forward. He respectfully asks for the Board's consent in moving this project forward.

Mr. Krielow offered a motion to adopt Resolution 2024 – 005 to authorize the Executive Director to submit a letter of mutual agreement to the Louisiana Department of Transportation. Mr. Johnson seconded the motion.

In favor of the motion were:

Mr. Krielow  
Mr. Lorenzi  
Mr. Guidry

Mr. Johnson  
Ms. Bayles

Against the motion was:

Mr. Prudhomme.

The motion carried 5-1.

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- 7. Submission 2024 – 006 authorizing the purchase from the Louisiana Machinery state contract for a new Caterpillar D3 in the amount of \$247,423.80 for BT-1 operations.
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Mr. Self said staff requests the Board of Commissioners to authorize the purchase of a new caterpillar D3 from Louisiana Machinery from the state contract for BT-1 operations. Staff is requesting to purchase the new track dozer to replace one that is beyond its useful life. They essentially pick these up and operate them in a pretty harsh environment moving petroleum coke and barite. With the tonnages that they have had over the last few years and with anticipated increases for 2024, it is going to be highly utilized. Staff requests Board approval to purchase it. They budgeted \$245,000. The cost came back at \$247,000 so they are about \$2000 over.

Mr. Guidry offered a motion to adopt Resolution 2024 – 006 to authorize the purchase from the Louisiana Machinery state contract for a new Caterpillar D3 in the amount of \$247,423.80 for BT-1 operations. Mr. Prudhomme seconded the motion and it carried unanimously.

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- 9. Lake Charles Methanol Update Briefing Note
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Ms. Linda Miler gave an update to the Board from Lake Charles Methanol. She showed a presentation to give the Board an update on the progress of the development of the project. They are in the blocking and tackling phase. They have been focusing on moving forward for the permitting, financing and construction preparation. She will mostly talking to about the milestones they have achieved. This slide is the land next to BT-1. It is a world class, world scale methanol plant. They first make hydrogen and turn it into methanol. They have off-take contracts for all of the output and have very low emissions both by design and because they have a contract with Denberry, who is now owned by Exxon to sequester their CO2. The amount of carbon that comes into the plant through the feed stock and others 98% of that is either used in the methanol or captured. They only lose 2% of that. It is a very good project for the future as they see things moving in the United States and the world. That is why they have such support from the off-takers. Regarding the side arrangements, they have at lease option in place with the Port through the end of this year and have been up to date on making all of their payments.

The next slide shows the highlights. She did not mention the gas supply as one of the areas, but when she was here the last time, they had signed up half the capacity needed and is hoping by the end of this week they will have the rest of it signed up for and so that is a real milestone. Part of that arrangement is for certified natural gas. That is natural gas that is using best practices to minimize carbon emissions and you get certifications. They pay a little bit more for that, but it really helps their carbon intensity score, which is something that their customers want.

Additionally, they have been having very odd conversations from her standpoint with people who are developing renewable natural gas. This all has to do with manure landfill code disruption. Things that she never thought she would be talking about without swearing. They are pursuing that as well. That also gives them the opportunity to reduce our carbon intensity.

On the technology side, Topsoe, a Danish firm, is the one they have their primary technology from. They have one more agreement to get in place with them, which is the guarantee agreement that is pretty close to final. They are also now working with a major air separation unit supplier to provide that unit and then they will be through with that. That has affected their schedule a little bit. The last time she was here she talked a little bit about schedule. This is just about a month or so as opposed to major delays. She will talk about the timing at the conclusion of her remarks, but at least that is all going the right direction.

On the permitting side, they have received a draft of the air permit in December and gave comments. They are ready to issue it. It is just awaiting the right person to be in office to sign off on it. They did not want to issue it as a lame duck. They wanted to make sure that it was done in the full light of day so to speak. All the other permits are on track. They are hopeful with all the other permits that they are done in April. Perhaps this other permit will be done as well. They did a very thorough job. They were a little later than they wanted to be in putting it in, but it bore fruit in getting a very good draft back from the agency.

On the financing side, they have completed a part two application for the Department of Energy. The DOE instituted a new policy that they want to pre-review a part two application. They had a lot of people make part one applications, so this is a further winnowing away of the wheat from the chaff. Their comment on the LCM presentation was it was a very fulsome presentation. Hunter Johnston was invited to meet with the DOE on an informal basis last week. They told him they want to make LCM's project the flagship project for their loan guarantee office and they want fast track it through the conditional commitment project process. It was very good news from that standpoint.

On the equity side, in December they had 10 meetings with prospective equity and have been working on the confidentiality arrangements with them in preparation for having full one-day meetings with each one of them. One has dropped out, but still nine of them indicated interest. That process is going along very well as well. These were all entities that each one of them could provide all the equity that they need. There are plenty of others that could do a part of it, but they were just targeting the big guys, so that they could have one person to choose and to go the rest of the way with,

On the construction side, they finished the design phase for the main plant and are now into the phase where they are getting quotes on equipment and identifying the quantities. All the



contracts for the feed process are signed. This week they are having initial meetings to discuss the forms of detailed term sheets that have been put together for the final construction contracts. They put those together, went through the independent engineer and then provided those contracts a month or two ago. Now they are beginning the formal negotiations with all the parties. That includes the main entity, which is Technip along with Turner and Phoenix Power Group who would build the raw water pipeline and the tank farm. This also includes Orion who would build the liquid loading docks. They are in negotiations with them. They agree all right now thanks to the help with the District working on geotechnical investigations on all the site to make sure they have all the information necessary so that they can take the subsurface risk under the contract. She is not 100% sure what is going to happen but February 6<sup>th</sup> LED has approved an incentive package for them and they plan to announce that. She thinks it is going to be next Tuesday. She is giving everyone warning of it. It is mostly related to incentives for the workplace. She thinks that is a nice milestone as well. The way she sees it is they were hoping to reach close by mid-year and remembers they had some discussion last time how she felt about that. She said that was kind of pushing it. She is thinking they are about a month behind on that. They are really targeting to get everything done by September 1<sup>st</sup> so that the DOE can then go through its process and then close. They are really focused on closing by the third quarter. She does not see any reason right now that they cannot achieve that. Everything is going very smoothly and interest rates have come down. That is also good.

On the last slide they talked about the payments that are due the Port and thinks last time she just listed the accounts payable that were due. There was some question about anything other matter any numbers that were that were due or other numbers. There was a \$2.1 million number and she had a momentary memory lapse, but I knew that if Messrs. Self and Ringo said it was so, it was so. Certainly it was so and she just wanted to make sure that you knew that they agreed with that and also on the date of closing will also pay the first year's rent in advance. The payables are \$2.3 million and the other two amounts are \$3.9 million. It will be a \$6.2 million payday on close. Thank you.

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

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 9. 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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 9. DBE Briefing Note  
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Mr. Pestello said this is the goal set out for 2024 for the Disadvantaged Business Enterprises. He stated he should have included an additional project that is still ongoing. It was in last year's goals. It is listed in the paragraph at the top, but it is the new warehouse project. It had a goal last year and it is continuing construction through this year.

He stated that just to note, he did receive a call within the last year from a General Counsel of another port in Louisiana commending us on our DBE program and our success and asking the details of it so that they can model it in their port. It is to be commended and that is not necessarily anything staff does. It is the good contractors and businesses.

The December 2023 Financials Briefing Note was rendered to the Board and is on file in the Executive Offices.

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9. PORTS® Briefing Note  
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Mr. Hayden said the acronym PORTS® in his reports and this Briefing Note explains what it is. It is a system for measuring various data that is used in navigation ports. It stands for Physical Oceanic Real Time System. This Briefing Note gives the history and current condition of the Port's relationship with the National Oceanic and Atmospheric Administration. To give a little bit more information on the location of the various sensors, the Port has a water level and a meteorological sensor system close to the Civic Center. They have a current meter at City Docks and an air gap at the 210 Bridge. There is a water and meteorological station at BT-1. There are current meters at the Calcasieu fishing pier at lighted buoy 36 in the Gulf. They recently installed a redundant current meter at lighted buoy 35, which is the sister to buoy 36.

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

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10. December 2023 Financials Briefing Note.  
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The December 2023 Financials Briefing Note was rendered to the Board and is on file in the Executive Offices.

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11. FEMA/GOHSEP Briefing Note.  
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Mr. Landry stated the only thing to report is staff received about \$560,000. They have submitted a couple of reimbursements for about \$1.4 million that are going through the process. He actually had a call with one of the ladies at GOHSEP. They did sign up for express pay but there was a little hiccup with those two that staff did not get the express pay portion, but they got that resolved. It is mostly through the process of their review. It should hit financial review in the next couple days and should see it relatively soon. Staff actually submitted another request today for another million and that should get express paid, which means the Port will get 80% of the 90%. Once reviewed, the Port will get the rest of that. If there are no hiccups, the Port should receive that one just as quick.

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

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 12. Monthly Staff report from Director of Administration and Finance.  
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Mr. Landry said they renewed the Port's property insurance on January 1, 2024. He had some rough numbers for the Board previously after finalizing everything. The Port's premium did go down about \$150,000. That is before the Port's credit at the end of the term, so at the end of the year the Port will get another a credit of 283 amounting to an actual reduction of about \$433,000.

They will be starting their audit and will be working on that for the next few months.

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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 13. Monthly Staff report from Director of Navigation.  
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Mr. Hayden said staff continues to work on their annual presentation for funding of the CORPS dredging of the channel. It is really difficult this year because Congress still has not passed a budget for the year. They are starting to work on the next year's budget, which should be announced February 3rd or thereabouts and there is no hope for that to happen. The CORPS is also now starting to work on the FY 26 budget. It is a very complicated process, but he is putting together the presentation to bring to the New Orleans District Division and headquarters and Congress later in the year. Mr. Lorenzi said he did notice this morning that public television at 8:00 tonight is showing a program about a whale the skeleton of a whale that walked on four legs found in the desert in Egypt. they found a whale in the desert of each I'm sure about somebody wants to issue regulations to protect it. Mr. Hayden said he has lived in this region for 80 years did not know there were whales in the Gulf. He talked to a number of people who fish the Gulf and a lot said they did not know about it. has anybody seen one it depends on who you talk to yes ma'am some say they've seen them from a distance amazing that's all I have

Mr. Ringo stated he wanted to highlight that the Board are now the Commissioners of the 13<sup>th</sup> largest port in the United States by tonnage. This is up from 14<sup>th</sup> this year, so the Port is on the climb.

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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 14. Monthly Staff report from Director of Operations.  
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Mr. Henderson said at City Docks they have handled an aluminum trihydrate ship that was 29,000 tons. They had the third bagged cement ship which was another 41,000 tons. They majority of that went to barge. They discharged a little bit of it City Docks on the container pad. They did another liquid sodium hydrosulfate ship of about 7,000 tons and a lumber ship of 8,500 cubic meters. They loaded two equipment ships. This project cargo is about 5,700 cubic meters.

On the books for the coming month, they started loading it now is a bagged right rice shipment for the Dominican Republic. It is about 8,800 tons. They have a 24,000 cubic meter Lumber shipment. It is also going to have about 71 tons of pipe on it. There will be another aluminum trihydrate ship with about 14,000 tons and then another equipment ship is probably going to be about 4,000 cubic meters at BT-1. They loaded two coke ships about 68,000 tons and unloaded one hydrate barge. On schedule for February, they have seven ships, including the one that they are loading right now. It is raw coke. It is going to be about 182,000 tons. They also have a calcine barge, a rutile ship and a barite ship. February is going to be very busy at BT-1

The Director of Operations' 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 Director of Cargo and Trade Development.  
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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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 16. Monthly Staff report from Director of Engineering, Maintenance, and Development.  
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Mr. Pestello said the first of the two ship loaders is nearing completion. It is pretty much fully assembled now. It can be seen in the Bomac yard on the way to Beaumont right now. Right on the south side of the interstate. They are working on punch list items now and doing their early testing to just make sure everything works smoothly. Then once all those things are ironed out and they get pretty much everything done, they will put it on a barge and ship it over it the first week of March. They are looking at right now. They have to make sure everything is complete and it is essentially ready to roll before it gets to the dock since staff cannot stop loading ships for very long.

He has a quick update on two projects at City Docks. The new wharf and shed reconstruction have moved along nicely. They are still doing drilled shafts, but are also pouring concrete decks. They also have begun to erect steel and are doing every phase of the project all one time. Then the new wharf and shed reconstruction of 4, 5 and 6 is completely gone and now they are actually

removing the foundations now. It is moving along. Mr. Krielow asked if the other ship loader was still a year out. Mr. Pestello said it is now 11 months out. They are taking lessons learned from this one as far as design challenges and incorporating those and have actually shifted the fabrication location to China to a more experienced and reputable fabrication firm. Staff expects it to go much more smoothly. Mr. Krielow asked if that is the one that has the one-year delay in it. Mr. Pestello said they are each essentially one year at this point. That one I think it is expected delivery is sometime around March of this year, so it is already delayed at this point, but it will be at least a year. He will have to check those contract dates, but they are both delayed.

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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- 17. 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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- 18. 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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- 19. 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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- 20. Executive Session and appropriate action in any of the following matters:
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Mr. Prudhomme offered a motion to enter into Executive Session. Mr. Guidry seconded the motion and it carried unanimously. The Board entered into Executive Session at 5:53 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 6:15 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. Mr. Krielow offered a motion to adjourn. Mr. Guidry seconded the motion and it carried unanimously. The meeting adjourned at 6:16 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