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, June 24, 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

Kevin D. Guidry, Secretary/Treasurer

Mary Jo Bayles, Assistant Secretary/Treasurer (arrived at 5:03 p.m.)

John M. Cradure, Commissioner

Jonathan L. Johnson, Commissioner

Carl J. Krielow, Commissioner

Absent:

 None

 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

 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 5:01 P.M.

Mr. Guidry gave the invocation and 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.

- - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - -

1. Approval of the May 20, 2024 Regular Meeting Minutes.

 - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - -

Mr. Guidry offered a motion to approve the May 20, 2024 Regular Meeting Minutes. Mr. Johnson seconded the motion and it carried unanimously.

- - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - -

2. Submission 2024 – 023 approving the Board of Commissioners Election of Officers.

 - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - -

Mr. Krielow offered a motion to adopt Resolution 2024 – 023 to approve the Board of Commissioners Election of Officers with the following motion:

 President Mr. Kevin Guidry

 Vice President Ms. Mary Jo Bayles

 Secretary/Treasurer Mr. John Cradure

 Asst. Secretary/Treasurer Mr. Jonathan Johnson

Mr. Cradure seconded the motion and it carried unanimously.

- - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - -

3. Submission 2024 – 024 accepting the lowest responsive bid of Keiland Construction, LLC. in the amount of $340,566 for the base bid plus a contingency in the amount of $55,000 for a total of $395,566 for the Industrial Canal Turning Basin Gate 1 Improvements and to amend the 2024 capital budget.

 - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - -

Mr. Self stated staff requests the Board of Commissioners to authorize the Executive Director to accept the lowest responsive bid of Keiland Construction, LLC. for the Industrial Canal Turning Basin gate one improvements and amend the 2024 capital budget. This relates to some required security improvements of the Industrial Canal due to the fact that the Port is going to be handling some foreign flag vessels that will be docking at the facility. It includes the main entrance driveway, security cameras, twick readers and fencing. They issued bids in April and received two responsive bids with the low bid going to Keiland Construction at a cost of $341,000.

Mr. Johnson offered a motion to adopt Resolution 2024 – 024 to accept the lowest responsive bid of Keiland Construction, LLC. in the amount of $340,566 for the base bid plus a contingency in the amount of $55,000 for a total of $395,566 for the Industrial Canal Turning Basin Gate 1 Improvements and to amend the 2024 capital budget. Mr. Guidry seconded the motion and it carried unanimously.

- - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - -

4. Submission 2024 – 025 receiving and accepting the audited financial statements for the year ended December 31, 2023.

 - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - -

Mr. Self said is submission is for Board adoption of the audited financials for the Lake Charles Harbor and Terminal District for the year ended December 31, 2023. This is part of the standard audit procedure, usually in June of the year subsequent to the year being audited. Staff submits the audited financials for adoption and have a partner from McElroy, Quirk and Burch, Jason Guillory, who can kind of explain what is included in the opinion.

Mr. Guillory said he is the audit director with McElroy, Quirk and Burch. Within the Board’s packet, they should have received three documents related to the audit. They are the Annual Comprehensive Financial Report, which is the large document containing all of the Port’s financial statements, a Uniform Guidance Supplementary Report, which is their document they are issuing in relation to the Port’s internal control in compliance with laws and regulations and then finally there is a small document that includes the agreed upon procedures that are required annually by the Louisiana Legislative Auditor's office.

They have completed the audit for the fiscal for the year ending December 31, 2023 and have issued their opinion on those financial statements on page 19 of the Annual Comprehensive Financial Report. They have issued an Unmodified Opinion on those financial statements, which means they feel like they were sent fairly in accordance with generally accepted accounting principles the financial position of the District. After their report is Management's Discussion and Analysis on page 23. He pointed this to their attention because this is a very useful tool for any user of the financial statements that wants to understand the financial statements and not get into the minutia of the numbers but to get a plain English Executive Summary of the financial statements. He encourages anyone of the public who wishes to use the financial statements to take advantage of the management discussion analysis which is provided by Mr. Landry.

They also issued a separate report known as the Uniform Guidance Supplemental Report. Within that packet are two reports. One deals with the District's internal control and compliance with laws and regulation and one specifically deals with how the Port spent and managed their Federal Awards Programs, which is known as the Uniform Guidance or formerly known as the Single Audit. As a result of both of those reports, they have issued no findings related to either one of those reports and have also performed the required Legislative Auditor’s Statewide Agreed Upon Procedures again this year. He is happy to report there were no exceptions noted to these procedures. Mr. Landry has previously presented 12-31-23 financial information to the Board in the past that are currently contained of this report so he will not be going over the financial statements in detail, but I would be happy to entertain any specific questions that you may have on the ACFR or anything else in the audit packet. Mr. Cradure said he would like to commend Mr. Landry on the job and well done.

Mr. Krielow commented that he spoke to Mr. Guillory about this in past years with the agenda notice saying that the Board was approving the audit and for several years. The resolution clarifies it says that the board is receiving and accepting the audit because they as a board do not want to get in a situation of approving a third party's work product so you know the motion is to receive and accept.

Ms. Bayles offered a motion to adopt Resolution 2024 – 024 to receive and accept the audited financial statements for the year ended December 31, 2023. Mr. Cradure seconded the motion and it carried unanimously.

 - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - -

 5. May 2024 Financials Briefing Note.

 - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - -

The May 2024 Financials Briefing Note was rendered to the Board and is on file in the Executive Offices.

- - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - -

 6. FEMA/GOHSEP Briefing Note.

 - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - -

Mr. Landry said they did receive another $155,000, which is not much compared to how much the Port is spending, but they did submit last week around $8.2 million. That should help that unrestricted balance increase a little bit and offset some of those expenses that are ongoing.

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

- - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - -

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

 - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - -

Mr. Landry said that since the audit is complete staff has started working on the 2024 Forecast 2 to be presented at the next meeting. On that unrestricted cash balance, every day staff is working to submit reimbursement requests to GOHSEP, Port Priority, Capital Outlay, DOD or whoever they can to get that that balance, keep it healthy and maybe avoid having to issue the bonds. They know that there is a good chance that they will have to so, staff has been meeting with their bond representatives just to make sure they are in the right place to issue those bonds and in the most advantageous method possible.

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

- - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - -

 8. Monthly Staff report from Director of Navigation.

 - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - -

Mr. Hayden said last month he reported that the Port was going to receive $775,000 of DOE Port funding from the federal government. Because of the way the federal budget was structured this year, he overlooked about $3 million additional that the Port is going to get. He needs to correct last month's report to say that the Port is getting $3.8 million in DOE Port funding. They have already begun the process with the CORPS of Engineers. There is some paperwork to fill out. They have got that done, Mr. Self signed that Friday and he sent it over to the District. That money is in the process and he will let the Board know when it shows up.

The other thing to mention is that as part of their “Begging for Bucks” tour is they have a meeting scheduled with Colonel Jones over in the uh New Orleans District set for uh July 8.

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

- - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - -

 9. Monthly Staff report from Director of Operations.

 - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - -- - - - - - -

Mr. Henderson said that at City Docks they discharged two ships and a barge of aluminum hydrate of about 46,000 tons. There have been two cargo transfers of about 13,000 tons, one Lumber vessel of 14,500 tons and a liquid sodium hydrosulfate vessel of about 5,400 tons. Currently scheduled at City Docks, they have two more vessels of aluminum hydrate, which will be another 43,000 tons, another Lumber ship about 12,000 tons, another cargo transfer of 10,000 tons and another liquid ship of about 3,500 tons.

At BT-1, staff has loaded two raw coke shipments of about 95,000 tons and calcine ship of about 9,400 tons. Right now they have three ships of about 116,000 tons of raw coke, 880,000 tons of barite and 25,000 tons of rutile.

At the industrial Canal, staff is starting to handle more cargo down there. They discharged about nine modules from a ship and there is another ship at the dock right now. It is going to start discharging nine more modules. Those are going to a plant in Orange, so it is a good project. They have also loaded one bulk ruff rice barge at the Turning Basin.

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

- - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - -

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

 - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - -- - - - - - -

Mr. Chretien stated they are currently working with two companies looking to export timber logs. One company wants to go about 12 to 15,000 tons of logs per month into Vietnam and India and the second group is looking to do about 25 to 30,000 tons a month into Malaysia. Staff is also working with USAID on handling some potential containers for the USAID program. It is about 1,000 tons of cornsoy blend that would come from the Midwest. Staff would then stuff containers and it would load out to South Africa and Chad.

Staff has been working on ads for the new logo brand and messaging. They already had one in the American Press in the middle of June and have two more on the Site Selection magazine. That is going to highlight Louisiana as well as Heavy Lift Magazine.

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

 - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - -

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

 - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - -

Mr. Pestello apologized for the beeping outside. They are doing some advanced maintenance repairs to the soffits to try to help with the freezes next year so they do not have a repeat like had a couple years ago. They are also doing some roof repairs as well.

Construction activity at BT-1 is really picking up. The BT-1 storage pad is making good progress with Alfred Palma. As a reminder, that is what he is going to call the Cadillac of storage out there. It is going to have a large concrete pad, material wall and a wind fence to help with dust control as well as some dust boss misters to kind of keep the dust down, lighting and a new reclaimer. It is really going to be impressive and it is making good progress.

They also have Conveyor 5B rehab going on. The calcine dust collection has begun fabrication and the Conveyor 6A replacement is in fabrication offsite getting ready for its install. They are also still in progress with the dock electrical upgrades. The new dock tie downs are all in progress for the new ship loaders and the traveling import hopper. All of this construction is taking place amidst all the ships that Mr. Henderson mentioned earlier. It is a very busy terminal right now, but they are making progress and are doing the juggling and dancing back and forth between operations and construction.

Staff Report was rendered to the Board and is on file in the Executive Offices.

 - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - -

12. Monthly Staff report from the State Port Lobbyist.

 - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - -

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

- - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - -

 13. Monthly Staff report from the Federal Port Lobbyist.

 - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - -

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

- - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - -

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

- - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - -

There were no other matters to be discussed.

- - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - -

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

 - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - -

Mr. Self thanked Mr. Lorenzi on serving as President for the last two years.

Mr. Krielow offered a motion to enter into Executive Session. Mr. Johnson 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.
	+ Turning Basin Site Remediation – Dynamic Industries, Inc.
	+ Damage to Berth 15 – Southern Ionics.

The Board returned from Executive Session at 5:39 p.m.

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 5:40 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.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

 THOMAS L. LORENZI, President

ATTEST:

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

KEVIN D. GUIDRY, Secretary/ Treasurer