

**PORT OF IBERIA DISTRICT BOARD OF COMMISSIONERS  
SPECIAL BOARD MEETING  
THURSDAY, JUNE 3, 2021  
PORT ADMINISTRATIVE OFFICE – 5:30 P.M.  
MINUTES**

The Special Meeting of the Port of Iberia District Board of Commissioners was called to order by Commissioner Danny J. David, Sr., President, at the Port of Iberia Administrative Office, on Thursday, June 3, 2021, at 5:30 p.m.

In attendance were Commissioners Danny J. David, Sr., President, Shane Walet, Secretary-Treasurer, Simieon d. Theodile, Patrick Broussard, and Mark Dore’.

Commissioners Roy A. Pontiff, Vice-President, and Elbridge “Smitty” Smith III, were absent.

Also, present were Craig Romero, Executive Director, Joanna D. Durke, Administrative Assistant, Shari Landry, Receptionist-Secretary, and Ray Allain, Port Attorney.

Thus, with a quorum being acknowledged, Mr. Kent Aguillard recited the opening prayer and the Pledge of Allegiance.

The purpose of the Special Meeting was to Discuss the update on Seadrill Limited, et al., Debtors Chapter 11 Case No. 21-30427 (DRJ); Re: Docket No. 600 of the United States Bankruptcy Court, Southern District of Texas, Houston Division, Discuss the Approval and Authorization for the Board President to Execute the “Proof of Claim” to the United States Bankruptcy Court for the Southern District of Texas (Houston Division) (Deadline to Submit 6/14/2021), and also to Discuss the Approval and Authorization for the Board President to Execute the “Reimbursement Agreement” between Trunkline Gas Company, LLC (Energy Transfer) and the Port of Iberia District.

**I. Update on Seadrill Limited, et al., Debtors Chapter 11 Case No. 21-30427 (DRJ); Re: Docket No. 600 of the United States Bankruptcy Court, Southern District of Texas, Houston Division:**

- Extract of Minutes from Tuesday, May 18, 2021 Regular Monthly Board Meeting.
- Attorney General Jeff Landry Approval Letter for “Special Counsel” (H. Kent Aguillard, Attorney at Law) Dated May 26, 2021 Regarding Seadrill Limited.
- Seadrill Americas, Inc. Lease Payment.
- Discuss the Approval and Authorization for the Board President to Execute the

“Proof of Claim” to the United States Bankruptcy Court for the Southern District of Texas (Houston Division) (Deadline to Submit 6/14/21)

- Mr. Kent Aguillard addressed the Board. Mr. Kent Aguillard stated that he reviewed the Docket report this morning. He stated that the Proof of Claim deadline is June 14, 2021. There is no actual need to file one but Mr. Kent Aguillard recommends that the Port does file one.
- Mr. Kent Aguillard stated that he totaled up the amount the Port would be entitled to if the lease were to be rejected, this is called rejection damages.
- Mr. Kent Aguillard stated that the important thing is that the claim does get filed and the POI has covered all of the needed bases (which is done) so if something does happen the claim can be amended if needed.
- Mr. Kent Aguillard stated that he filed the Notice of Appearance as the Port’s official Council of Record. He receives an email of the information that is filed in the case. This way he can keep up with what is done within this case, even things that do not pertain to the Port of Iberia.
- Commissioner Danny David questioned Mr. Kent Aguillard, would he accept this the way it is if he were in the Port’s position. Mr. Kent Aguillard stated that yes, he would, it is a business decision. He stated that the Board should not make any changes within the lease.
- Commissioner Patrick Broussard questioned Mr. Kent Aguillard stating that, by Seadrill’s actions did they change the lease or have they rejected it. Mr. Kent Aguillard stated that they have not rejected the lease.
- Mr. Kent Aguillard discussed tacitly amending contracts by the action of the parties. Meaning if the action is different and consistent than what the lease states and it is consistently, if this goes to court the judge can state this was tacitly amended. Arguably, Seadrill can state that they paid monthly payments and the Port accepted these payments. At that point, it would be considered that the lease was amended. Mr. Kent Aguillard stated that he did not see anything in the docket stating that Seadrill would like to pay this lease monthly.
- Commissioner Patrick Broussard stated that what bothers him is that the Port will end up with a monthly payment for the duration of the lease period. Mr. Craig Romero stated that Seadrill provided an email stating that they will do the monthly payments from June thru December 2021 and pay the annual amount in December for the following year of 2022.
- Port Attorney Ray Allain suggested that the Board make a motion to accept the monthly payments from June through December 2021 with the annual payment being due in December for the following year of 2022.
- Commissioner Danny David stated that the Board just went through the budgetary process and a big part of the budget was the yearly payment from Seadrill, he questioned how will this affect the Port’s budget. Ray Allain stated that next fiscal year is not the problem, the problem is this year. The Port will have a year & a half rent from Seadrill next fiscal year.

**A motion was made by Commissioner Patrick Broussard, seconded by Commissioner Shane Walet to accept the proposal by Seadrill via email dated April 21, 2021 for monthly payments in the amount of \$41,226.61 for June through December 2021 with the annual payment being due in December in the amount of**

**\$494,671.21 as the annual payment for the year of 2022 as required by the Lease Agreement between Seadrill and the Port of Iberia District.**

**This motion having been submitted to a vote; the vote thereon was as follows:**

**Yeas: Danny J. David, Sr., Shane Walet, Simieon d. Theodile, Patrick Broussard, and Mark Dore’.**

**Nays: None.**

**Absent at Voting: Roy A. Pontiff and Elbridge “Smitty” Smith, III.**

**And the motion was therefore passed on this the 3rd day of June, 2021.**

- Mr. Lynn Usie of Seadrill stated that the lease payment will be direct deposit on the first of every month.
- Mr. Lynn Usie stated that from what he read in the lease he understood it to be an annual payment. He also stated the team in Liverpool never read it had to be an annual payment in the Lease. He stated that they are paying monthly because that is what they do everywhere else.
- Mr. Lynn Usie stated that they are currently going through their budget and he will put in annual payments going forward.
- Mr. Kent Aguillard stated that whenever the lease gets accepted, when the motion gets filed to accept the lease, if there are any issues that is when the Board can address the situation to the court.
- Mr. Kent Aguillard stated the court extended the time a debtor has to accept a lease; it is now extended to 210 days.
- Mr. Kent Aguillard stated they prepared the “Proof of Claim”, he stated once it is signed to send it overnight via FedEx or UPS.

**A motion was made by Commissioner Mark Dore’, seconded by Commissioner Simieon d. Theodile to approve and authorize the Board President to execute the “Proof of Claim”; motion further authorizes Mr. Kent Aguillard of H. Kent Aguillard, Attorney at Law to file the Proof of Claim to the United States Bankruptcy Court for the Southern District of Texas (Houston Division) regarding Seadrill Limited, et al., Debtors Chapter 11 Case No. 21-30427 (DRJ) Re: Docket No. 600**

**This motion having been submitted to a vote; the vote thereon was as follows:**

**Yeas: Danny J. David, Sr., Shane Walet, Simieon d. Theodile, Patrick Broussard, and Mark Dore’.**

**Nays: None.**

**Absent at Voting: Roy A. Pontiff and Elbridge “Smitty” Smith, III.**

**And the motion was therefore passed on this the 3rd day of June, 2021.**

**II. Update on Reimbursement Agreement by and between Trunkline Gas Company, LLC (Energy Transfer) and the POI District:**

- **Discuss the Approval and Authorization for the Board President to Execute the “Reimbursement Agreement”.**

Mr. Oneil Malbrough addressed the Board.

- Mr. Oneil Malbrough stated that they sent Trunkline Gas Company, LLC (Energy Transfer) a copy of the Shell Agreement and the Boardwalk Agreement. Trunkline Gas Company attorney agreed to use the Shell Agreement format. The attorney blue lined changes in the Agreement. Mrs. Joanna Durke stated that she needs Exhibit

A & B.

- The Energy Transfer line will be lowered not relocated.
- Mr. Oneil Malbrough stated that the estimated cost of the lowering of the pipeline is \$2,232,995.00. This amount is plus or minus 20%.
- Mr. Oneil Malbrough stated that they have to verify the expenses so the price could be lower or higher.
- Mr. Oneil Malbrough stated that he would like to get them started as fast as he can.
- Mr. Oneil Malbrough stated that they are hoping to just do one bid for the project.

**A motion was made by Commissioner Patrick Broussard, seconded by Commissioner Simieon d. Theodile to approve and authorize the Board President to Execute the Reimbursement Agreement between Trunkline Gas Company, LLC (Energy Transfer) and the Port of Iberia District for the Lowering of the 20" Centerville 300-1 Pipeline.**

**This motion having been submitted to a vote; the vote thereon was as follows:**

**Yeas: Danny J. David, Sr., Shane Walet, Simieon d. Theodile, Patrick Broussard, and Mark Dore'.**

**Nays: None.**

**Absent at Voting: Roy A. Pontiff and Elbridge "Smitty" Smith, III.**

**And the motion was therefore passed on this the 3rd day of June, 2021.**

### **III. ADJOURNMENT**

**On a motion made by Commissioner Simieon d. Theodile and seconded by Commissioner Mark Dore' the meeting was adjourned at 6:26 p.m.**

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**SECRETARY-TREASURER**

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**PRESIDENT**