

Louisiana International Gulf Transfer Terminal Authority

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Authority Members

Senator A.G. Crowe
Senator Rick Gallot
Scott Becnel
Ronald Branch
Dennis Crawford
John Hyatt
Secretary Sheri LeBas
Gary LaGrange
Captain Michael Lorino
David Mannella
Secretary Stephen Moret
Jeff Davis
Representative Ray Garofalo
Chris Westbrook



Minutes of the Meeting July 29, 2013

I. CALL TO ORDER

A meeting of the Louisiana International Gulf Transfer Terminal Authority was held on Monday, July 29, 2013 in the conference room at the Port of St. Bernard Administration Building in Chalmette, Louisiana. Senator A.G. Crowe called the meeting to order at 1:29pm.

II. ROLL CALL

Roll was called with the following being noted:

MEMBERS PRESENT

Senator A. G. Crowe, Chairman
Dennis Crawford
John Hyatt
Scott Becnel
Sharon Balfour, for Sherri LeBas
Senator Rick Gallot
Paul Matthews, for Gary LaGrange
Chris Westbrook

MEMBERS ABSENT

Ronald Branch
Jeff Davis
Representative Ray Garofalo
Captain Michael Lorino
David Manella
Paul Sawyer, for Stephen Moret

III. BUSINESS DISCUSSED

Senator Crowe stated that there is allowance for the appointment of certain designees according to the statute, specifically R.S. 34:3494 (A), and that Secretary Sherri LeBas appointed Ms. Sharon J. Balfour, the Marine and Rail Administrator for the Department of Transportation and Development, as her designee for this meeting in the absence of her standing designee, Mr. Dennis Decker. Ms. Balfour's attendance allowed the authority to meet by establishment of a quorum.

Senator Crowe stated that Mr. Paul Matthews has been pre-approved by Gary LaGrange, who has been appointed to LIGTT, to serve as his designee in place of Matt Gresham who normally attends meetings on behalf of Gary LaGrange of the Port of New Orleans.

Guests in attendance included:

Brandon Withers, Louisiana Department of Transportation and Development
Larry Roedel, attorney, Roedel Parsons Koch Blache Balhoff & McCollister
Johnny Koch, attorney, Roedel Parsons Koch Blache Balhoff & McCollister
John Pennison, Plaquemines Port Authority
Rusty Barkerding, Port of New Orleans

The minutes of the June 17, 2013 meeting were presented for adoption. Mr. Westbrook moved to adopt the minutes and Mr. Hyatt seconded the motion. There was no objection.

Senator Crowe stated that the first agenda item to be taken up will be the final review and acceptance of the Memorandum of Understanding (MOU). He said that it has been being worked on since the last time the board met, and has been worked thoroughly by Roedel and Parsons, the attorneys representing LIGTT. Senator Crowe has signed off on the document upon the attorneys' recommended approval, but the board needs to formally approve it. Senator Crowe read the resolution, a copy of which is attached. Senator Crowe stated that the MOU would go through the normal channels throughout the state entities as any other MOU would after approval by the LIGTT board.

Mr. Hyatt moved to accept the resolution to approve the MOU, and Mr. Crawford seconded the motion. There was no objection and the MOU was approved.

Senator Crowe then brought up the development agreement, which was passed out to the members. (A copy is found in the file labeled for this meeting.) He stated that the development agreement contains provisions for future work that he feels should be presented to and approved by the board. Senator Crowe requested that Mr. Roedel come forward to give an overview of the developmental plan. He also pointed out that there is an accounting of the current billing from Roedel Parsons.

Mr. Roedel said that with the approval of the MOU, there are now three next-step items which the LIGTT board needs to consider. The first is getting a lease from the state for the land that is being used for the terminal. The land is "leased" as a formality for one dollar per acre per year. Secondly, the board needs to work with ABK's lawyers on the Request for Proposal (RFP) document that will be sent out to entities around the world who are capable of building the facility. Certain Louisiana laws must be considered by Louisiana attorneys to work with ABK's

attorneys to ensure that the document is done correctly. The third item is the development agreement which is the “nuts and bolts” of the transaction. Mr. Roedel stated that this agreement would govern the flow of funds, set timelines for construction and cover major issues that are related to the building of the facility. He stated that the three documents need to proceed on a similar path. When Roedel, Parsons was brought in to work on this project, it was done according to the Attorney General’s guidelines, and they are bound by the rate schedule that is set forth therein. He stated that the contract contains a provision that the fees for the work on the MOU would not exceed \$7,500.00, and once all has been done regarding that, the final fees should total around \$6,500.00. He said that they are aware that the funding for this project does not include any public funds from the state of Louisiana and that the flow of funds must come from ABK to fund the administrative expenses in order that Roedel Parsons can be paid.

Mr. Roedel said that he would be happy to take any questions that members might have. Mr. Crawford asked if the arrangement of the one dollar per acre per year was decided after the expansion of acreage. Senator Crowe responded that this was in the original legislative act and was done intentionally so that there would not be an issue with needing to negotiate terms at a later date. When the expansion was done this past session that language remained intact so there is no need for negotiation, but the paperwork needs to be executed.

Senator Crowe said that Roedel Parsons has provided a great measure of clarity and understanding to this process thus far. He said that the agreement that the members are looking at right now is probably more than they had originally discussed as it goes beyond doing the MOU work. This agreement would extend their work beyond the MOU and provide for fees and rates that are set within the legal limits allowable by the state of Louisiana. Senator Crowe thought that it would be a good idea for the board to consider continuing with Roedel Parsons to work on the three issues brought forth before, the lease documents, the development of the RFP and the development document that would set forth the terms and conditions of the project.

Mr. Hyatt said he thought the acreage was increased from 250 acres to 500 acres to provide for any possible issues that could arise in the future if some of the land were found to be not useable. Senator Crowe said that was correct.

Mr. Crawford asked Mr. Roedel what source of information he used to set timelines for this project and how much detail was put into it. Mr. Roedel said that if he is referring to the development agreement, they will have to rely heavily upon ABK to give guidance in that area. Roedel Parsons has extensive experience with the state bid laws and procurement, which they gained as they worked on the Superdome. They are hoping to use that knowledge to further this effort. This is the only project of its kind and anyone would be working within a “learning curve” in trying to establish a timeline for LIGTT.

Senator Crowe said that the basis of the timeline is laid out in the 2,000 page document that ABK put together. There was also a general timeline that the board approved several meetings ago to help put the board on target. A more specific one will be needed to assist once the EB-5 regional approval has been obtained.

Mr. Roedel said that he feels the LIGTT board will probably be a step or two ahead of ABK, as they seem to move a little faster than they have, at least to this point.

Senator Gallot moved to move forward with Roedel Parsons continuing to represent LIGTT in the next phase in accordance with the three next steps that Mr. Roedel mentioned in his report. Mr. Hyatt seconded the motion and there were no objections.

The next item on the agenda was to approve some expenditures. The first was approval of letterhead for the board, trying to keep with the logo and emblem that is on the website. This expense is \$150.00. The other expenditure is for \$750.00 and is for membership dues for Inland River, Ports and Terminals (IRPT). Senator Crowe made a motion to approve those payments, and there were no objections.

Senator Crowe next brought up the EB-5 process and said that this is a lengthy process and it must be considered that this is the largest application ever submitted. The paperwork was turned in last August, and it generally takes about thirteen months to get approval for a regional center. He said Senator Mary Landrieu has been working very hard on getting the application “front and center” and is in support of the project. As a result of her efforts and those of John Breaux, the review of the documents was completed around February of 2013, and questions that were sent to the board have been responded to and returned. As the LIGTT board goes forward, he said, they would do so in concert with the Port of New Orleans as this is where previous investments for containers have been. All of this has been discussed with Gary LaGrange of the Port of New Orleans and others in that area.

Currently, the board is uncertain of exactly where the approval process stands, but two lobbying firms are working on the effort and it is being worked through the process. Senator Crowe will follow up, but feels confident that proper attention is being given and he knows that everything is in order, all rules and regulations have been followed, and it is just a matter of time. When the approval has been granted, it will be an occasion to call the next meeting.

Mr. Crawford said that when they spoke earlier about how the actual announcement of the project would be made; there was mention of a place in New York as well as someplace in New Orleans that would handle the announcement. Senator Crowe responded that is still the plan and he feels that once the official approval has been made, they can move forward.

Mr. Hyatt said that the World Trade Center has established the new Eugene Schreiber annual award, and on October 11th there will be the WTC Inaugural Louisiana International Gala where U.S. Senator Mary Landrieu will receive this award for her promotion of trade within Louisiana’s ports. If the approval process times correctly that may be a good time for the announcement.

Senator Crowe agreed, and said that in New York there is an open invitation to announce this on the floor of the New York Stock Exchange (NYSE) and the appropriate people can be invited to New York to make the announcement there. He feels it’s important to handle it there as it presents an international environment and international media will be in attendance as well. Locally, it will be like any other major New Orleans style celebration.

Senator Crowe said that the investment firm is anxiously awaiting the completion of the EB-5 in order to make the public aware of the RFP that would be forthcoming so that the program managers can be prepared. Senator Crowe told the members that there is a trade publication, the Engineering News Record (ENR), where he might want to consider putting small ads that would raise the awareness of the RFP, so that the program managers would begin to see activity, showing the fiduciary responsibility of the board. This would only happen with the approval of the board. Senator Crowe will send an email for the members to look at and comment on.

Also there are national and international public relations (PR) firms that the board should begin to consider that LIGTT could begin to look at to help with the project.

Mr. Paul Matthews asked for the name of the PR firm that Senator Crowe is speaking of. He responded that the Edelman Group is one firm that has begun to send out suggestions to Senator Crowe for the group. He wants to ensure that there is something like this in place by the time it is needed.

He stated that the investment firm that LIGTT has contracted with has an owner who is the principal owner in the second largest private satellite company in the world, with a 40,000 square foot studio. He said at past meetings there was a promise that it would not cost LIGTT anything for them to reach China, Brazil and South America in forty-five languages telling the world the LIGTT story.

Mr. Crawford asked if there was a way to think about getting designees lined up in case there is a problem with a quorum in the future, and also wanted to know about replacing Tracy Ross from Wal-Mart, a past governor's appointee.

Senator Crowe said that the governor does have an outstanding appointment at-large, and this should be taken care of soon. He said that someone was mentioned before from Wal-Mart, but the appointment has not been made at this time. He will look into getting this taken care of.

Mr. Crawford moved to adjourn. With no objections, the meeting was adjourned at 2:05pm.



A.G. Crowe, President

December 19, 2013

Date Adopted