PROCEEDINGS OF A REGULAR MEETING OF

**THE BOARD OF COMMISSIONERS OF**

**THE MORGAN CITY HARBOR AND TERMINAL DISTRICT**

**November 13, 2018**

 The Board of Commissioners (“Board”) of the Morgan City Harbor and Terminal District (“District”) met in regular session at the District’s office at 7327 Highway 182, Morgan City, Louisiana on November 13, 2018 at 5:00 p.m. Duane Lodrigue, President, convened the meeting with Commissioners Thomas Ackel, Deborah Garber, Joseph Cain, Tim Matthews, Sr., Adam Mayon, Lee Dragna and Pete Orlando in attendance. Commissioner Ben Adams was absent. Also present at the meeting were Raymond Wade, Executive Director; Tori Henry, Office Manager; Cindy Cutrera, Manager of Economic Development; Jennifer Reasoner and Gerard Bourgeois, Board Attorneys; Commander Heather Mattern, United States Coast Guard (“USCG”); Clay Breaud, GSE/Providence Engineering; Councilmen Louis Tamporello, City of Morgan City; along with members of the media and general public.

 The meeting was called to order and the presence of a quorum was noted. Mr. Wade led the invocation and the Pledge of Allegiance was recited.

 Mr. Bourgeois swore in Peter Orlando as the newest member of the Morgan City Harbor & Terminal District’s board, who was welcomed by Mr. Lodrigue and the Board.

It was moved by Mr. Dragna and seconded by Mr. Mayon that the minutes of the Regular Meeting of October 8, 2018 be approved and adopted, with said motion carrying unanimously.

It was moved by Mrs. Garber that the report of receipts and disbursements for the month of October 2018 be received and accepted and that all invoices presented to the Board for the month of October 2018 be paid. Mr. Matthews seconded that motion, which carried unanimously. Mrs. Garber noted that PSB has agreed to a better interest rate on the FLEX account for six (6) months, at which time it will be revisited.

Tim Connell reported via telephone conference that: (i) Dredge Robert White will begin in the Bay and the Bar in late December or early January with 180 day duration; (ii) the contract for a special purpose suction dredge was awarded to Brice on October 30th, with a ceiling amount of $21,800,000 and timeline of 150 days to arrive for dredging operations; (iii) Bayou Boeuf lock reopening will be November 30th and the new bumper job won’t begin until early next year, with a schedule of working four (4) days a week, 12 hours per day and open on the weekend; (iv) new surveys will be conducted soon around MM 142 and MM 144, due to high water; (v) they are trying to secure additional “work plan funds” to dredge Bayou Chene; and (vi) Mr. Lodrigue expressed concerned about the rocks that were supposed to arrive Saturday at the Billot property. Mr. Connell will forward John Page’s contact information to coordinate with land owners. Mr. Tamporello also inquired about water stages and Mr. Connell confirmed it will crest on November 23rd at 5 feet.

Heather Mattern reported that: (i) they have been tracking the water levels and currents and issuing warning broadcasts; (ii) they are concerned with Bayou Chene due to higher water and once water levels begin to fall, shoaling will be an issue. She requested that anyone report areas of concern so that they can mark the areas. (iii) She will follow up with Mr. Connell on the rock project at Billot property, as well as the rock project at LAD as per Mr. Dragna’s request.

Mike Knobloch gave a presentation to the board on the Port Priority funding authorized by LADOTD in the amount of $4,762,620. He thanked the Port staff and stakeholders for their assistance in the application process. Mr. Dragna moved to authorize Mr. Wade to enter into agreement with State of Louisiana, Department of Transportation and Development under the Louisiana Port Construction and Development Priority Program, which was seconded by Mr. Mayon and carried unanimously.

**RESOLUTION**

A Resolution authorizing the Morgan City Harbor and Terminal District to enter into an agreement with the State of Louisiana, Department of Transportation and Development under the Louisiana Port Construction and Development Priority Program for assistance in the implementation of a port improvement project; providing for the necessary documentation of the need for the port improvement; and providing for other matters in connection therewith.

WHEREAS, the Morgan City Harbor and Terminal District has a need for port improvements; and

WHEREAS, the Morgan City Harbor and Terminal District has reviewed the application for Morgan City Rail and Dock Rehab and agrees with said agreement; and

WHEREAS, the Morgan City Harbor and Terminal District has applied for State matching funds pursuant to Chapter 47 of Title 34 of the Louisiana Revised Statues of 1950, as amended, to implement a project to improve its port operation and Morgan City Harbor and Terminal District is fully aware of its obligations under said Statute; and

WHEREAS, the Morgan City Harbor and Terminal District is a political body duly organized and existing under the laws of the State of Louisiana and is eligible to apply for funds under said Statute; and

 WHEREAS, currently, no funds have been made available by the State for construction of the project; and

 WHEREAS, the Sponsor desires to utilize its own funds for the construction of this Project and to be reimbursed by the Port Construction and Development Priority Program once funding becomes available, in accordance with R.S. 34:3457.

 NOW, THEREFORE, BE IT RESOLVED by the Morgan City Harbor and Terminal District

as follows:

Section 1. That Morgan City Harbor and Terminal District acknowledges that an application was submitted to the Louisiana Port Construction and Development Priority Program.

Section 2. That at the appropriate time and prior to commencement of work on the project Morgan City Harbor and Terminal District agrees to execute a Project Agreement and a Statement of Sponsorship pursuant to the Statute and hereby authorizes and empowers both Duane E. Lodrigue, its President, and Raymond M. Wade, its Executive Director, individually, to enter into and execute said agreement with the Louisiana Department of Transportation and Development.

Section 3. That Raymond M. Wade, President is hereby Authorized Representative for Morgan City Harbor and Terminal District to represent the port with regards to the receipt of funds from the Louisiana Port Construction and Development Priority Program for a port improvement project.

Section 4. That said Authorized Representative shall have the authority to sign and approve all documents that are necessary under the circumstances to accomplish the above project.

Clay Breaud reported that during the final inspection of the HVAC system, nine (9) items were addressed, including air balancing of the system and grill installation. All items will be completed by the end of the week, at which time another inspection will be done and retainage released.

Cindy Cutrera reported that: (i) she attended a meeting at Waterborne Commerce in New Orleans on behalf of the Port and IRPT to discuss the tonnage reporting process better. Additional meetings have been planned to change rulings on fines, technologically advancements and dock receipts so that they can determine if tonnage has been reported. (ii) the FY19 Work Plan funding will be announced on November 20th; and (iii) she, along with Tim Matte, attended a Flood Control study meeting. She will send out a detailed report tomorrow regarding the month’s activities, which included lots of delegation interaction.

Gerard Bourgeois presented: (i) three (3) engineering agreements between the District and Providence Engineering and Design, LLC for services related to the projects funded through Port Priority subject to legal review and approval. Mr. Dragna moved to authorize said agreements, which was seconded by Mrs. Garber and carried unanimously.

**RESOLUTION**

A Resolution retaining the services of Providence Engineering and Design, LLC for (a) the Aggregate Loading and Unloading Area Interior of Spur Tracks, (b) for the Railroad Track Repair and Maintenance and (c) Additional Transient Loading Zone and Wharf Dockage East Side of Existing Dock Facility.

BE IT RESOLVED by the Morgan City Harbor and Terminal District, St. Mary Parish, Louisiana, that engineering agreements, substantially in accordance with the agreements presented, are hereby approved, and that Raymond Wade, Executive Director of the Morgan City Harbor and Terminal District, is hereby authorized and empowered to sign said engineering agreements for and on behalf of the Morgan City Harbor and Terminal District.

(ii) a resolution justifying the need for dredging funds through the State Capital Outlay program in the amount of $3,750,000 over a three-year period for maintenance dredging of Atchafalaya River navigational channels. Mr. Mayon moved to authorize said resolution, which was seconded by Mr. Cain and carried unanimously.

**RESOLUTION**

WHEREAS, the Atchafalaya River and Bayous Chene, Boeuf, and Black Project is not and has not been funded adequately;

WHEREAS, between U.S. Army Corps of Engineers 2004 and 2012 Operations & Maintenance funding averaged approx. $18,000,000 per year;

WHEREAS, in the 2012 Atchafalaya River and Bayous Chene, Boeuf, and Black Dredged Material Management Plan: Preliminary Assessment, the Corps estimated an average annual cost of $39 million to maintain the Congressional Authorized 20' deep by 400' wide Atchafalaya River and Bayous Chene, Boeuf and Black Channel (Channel), which was economically justifiable at a benefit-to-cost ratio of 1.7;

WHEREAS, said Assessment provides that not maintaining authorized channel dimensions would cause McDermott and other channel businesses to relocate and McDermott did permanently move its operations to Altamira, Mexico;

WHEREAS, the current dredging strategy even at its highest funding did not provide the authorized 20' by 400' wide authorized Channel for more than 100 days per cycle;

WHEREAS, the Federal appropriations for our Channel dropped to $7.7 million in 2013 and was down to $6.2 million by 2017;

WHEREAS, through a Value Engineering Study started by the U.S. Army Corps of Engineers and the District in 2002, the Corps and the District have systematically evaluated each proposal for reducing the annual maintenance cost of the Channel;

WHEREAS, said Study indicated that agitation dredging on a continuing basis offered the best chance of maintaining the Atchafalaya Bar Channel at the lowest cost;

WHEREAS, the Corps provided for agitation dredging in the Bar Channel in 2002 and 2016,

with strong evidence that this dredging method would maintain the Bar Channel;

WHEREAS, not keeping the Channel to its authorized width and depth has resulted in the loss of import/export business for the District, loss to industry in additional costs, as well as the inability for industry to bid on any projects that draft more than 15' of water.

WHEREAS, it is obvious to the Board and the public that the unpredictability of the depth of the Channel and the concern about its long-term suitability are factors that provide a reason for companies to look for alternative sites outside of the Port of Morgan City;

WHEREAS, the District has determined that the most viable way to reduce the cost of maintenance of the Bar Channel and thus the overall cost of maintaining the entire Channel is to make sure that a special purpose dredge, capable of moving 11,000 cubic yards of material in the Atchafalaya Bar Channel per hour, is based in the Morgan City area for continuous use in the Bar Channel;

WHEREAS, the Corps has in fact awarded a contract to Brice Civil Constructors to provide said special purpose dredge for the Atchafalaya Bar Channel;

WHEREAS, this unique and special purpose dredge will allow for import and export business and other commerce to resume using the Atchafalaya River at great benefit to the Port and the State of Louisiana, as evidenced by numerous economic studies;

WHEREAS, an additional $3,750,000 over three years would assure that this new Corps dredging program gets off to a successful start; and

WHEREAS, relying on said economic studies, the District believes that the State’s economic benefit will be much greater than said additional $3,750,000 over three years.

THEREFORE, BE IT RESOLVED that staff of the Morgan City Harbor and Terminal District (“District”) is hereby authorized and empowered to make all such necessary filings with the State of Louisiana, Division of Administration seeking funding of $3,750,000 from Capital Outlay to assist the District with maintenance dredging of Atchafalaya River navigational channels.

BE IT FURTHER RESOLVED, Raymond M. Wade, Executive Director, be authorized and directed to do any and all acts and things necessary, proper, or that may be required to carry out and accomplish the transaction contemplated with regards to said servitude.

(iii) A standard Right of Entry (ROE) with the Corps of Engineers for disposal easements for the Atchafalaya River and Bayous Chene, Boeuf, and Black Navigation Project. Mr. Mayon moved to authorize Mr. Lodrigue to execute said ROE, which was seconded by Mr. Dragna and carried unanimously.

**RESOLUTION**

 A resolution authorizing the Morgan City Harbor and Terminal District (“District”) to grant to the United States the rights of entry (ROEs) for disposal easements for the Atchafalaya River and Bayous Chene, Boeuf, and Black Navigation Project.

 BE IT RESOLVED, that Duane E. Lodrigue, President, be authorized and directed to grant on behalf of the Morgan City Harbor and Terminal District (“District”) in favor of the United States Corps of Engineers (“Corps”), their representatives, agents and contractors, to construct, operate and maintain a dredged material disposal areas, including the full right of ingress and egress; to construct dikes; to deposit dredged, excavated and sediment material thereon; to accomplish any alterations of contours on said land for the purpose of accommodating the deposit of dredged material as necessary in connection with the construction, improvement, maintenance and operation of the Atchafalaya River and Bayou Chene, Boeuf and Black, Louisiana Project, as authorized by the Act of Congress approved 13 August 1968 (Public Law 90-483), and to execute all corresponding agreements with landowners concerning Corps designated Disposal Areas I, G, 1A, 1B, 5A, and 6 and transfer of the same to the Corps.

 BE IT FURTHER RESOLVED, Duane E. Lodrigue, President, be authorized and directed to do any and all act and things necessary, proper, or that may be required to carry out and accomplish the transactions contemplated with regards to the above-mentioned tracts.

(iv) A resolution authorizing Mr. Wade to execute amendment with Louisiana Economic Development Authority and InterMoor, which was moved by Mr. Cain, seconded by Mrs. Garber and carried unanimously.

**RESOLUTION**

A Resolution providing for the execution of an amendment to the District’s agreements with Louisiana Economic Development Authority and InterMoor, Inc., related to its Youngswood Site Development Project.

BE IT RESOLVED, that the Morgan City Harbor and Terminal District does hereby authorize the execution of the Second Amendment to Cooperative Endeavor Agreement in connection with the Louisiana Economic Developments’ Economic Development Award Program. Further, the Morgan City Harbor and Terminal District does empower Raymond M. Wade, its Executive Director, to sign on its behalf all documents and to do any and all acts and things that he deems necessary, proper, or that may be required to carry out and accomplish the intent and terms of the transactions contemplated hereby with the Louisiana Department of Economic Development Economic Award Program and Intermoor, Inc.

 Mr. Bourgeois also reported that: (v) Baker Hughes extended their transit yard lease for an additional five (5) years; and (vi) we will be meeting with Crosby Tugs later in the month about damages caused to the NOAA Meteorological Station #2.

With no further business to come before the Board, the meeting was adjourned.

 Attest:

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

Thomas M. Ackel, Secretary