Minutes of the Special Meeting of the Calcasieu Ship Channel Funding Management Board held at 2:00 P.M. on March 9, 2022 in the Board Room of the Port of Lake Charles located at 1611 W. Sallier St., Lake Charles, Louisiana.

In attendance and constituting a quorum, were:

 Charles Harper, President

 Richert Self, Vice President

 Renee Lapeyrolerie, Secretary/Treasurer (by ZOOM)

Absent:

None

Also present:

Jon Ringo, General Counsel

 Channing Hayden, Director of Navigation

 Regan Brown, Assistant Director of Navigation

Mr. Harper called the meeting to order at 2:00 P.M.

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1. Election of Officers

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Mr. Self offered a motion to keep the officers the same as 2021. Mr. Harper seconded the motion and it carried unanimously.

The officers will be:

Charles Harper – President

Richert Self – Vice President

Renee Lapeyrolerie – Secretary/Treasurer.

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2. Approval of the November 9, 2021 Meeting Minutes.

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Mr. Self offered a motion to approve the November 9, 2021 Meeting Minutes. Mr. Harper seconded the motion and it carried unanimously.

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3. Authorization for an additional payment for DA 12 A&B – Request to pay the Corps $1,803,000.

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Mr. Hayden stated they asked the CORPS under the project partnership agreement, a non-federal sponsor, which is Lake Charles Harbor and Terminal District, to do certain things on its behalf. One of the things that he can ask it to do is to go out and obtain easements that may be needed because the non-federal sponsor is required to provide all the real estate necessary for disposal sites. A number of years ago, the CORPS was in possession of all the easements. Because of changes and procedures on how the CORPS did things, being as the non-federal sponsor had to provide the real estate, they transferred all their records to the Port. Based on the records, staff asked the CORPS to go get permanent easements on certain portions of disposal areas 12A and B. The CORPS did their research and came up with an appraisal, which was $2.5 million. The Port said to talk to the landowner. They talked to the landowner and the landowner said they needed more property than what our records, which were the CORPS records show. The landowner produced documentation to justify their claim.

The CORPS evaluated that documentation. They agreed with it, went out and had this much larger partial parcel of land appraised and came with back with a $9 million plus appraisal.

Because of the CORPS procedures, when you get to that amount of money, they had to go up to Washington have it reviewed. It got to the Justice department. It got tweaked in Washington to where it is now $10 million plus.

Staff has already paid the CORPS $9 million and change. He is asking the Board to authorize this additional payment of $1,803,000 so that the CORPS can then go to the owner and be fully in funds to make that offer to the owner to acquire the disposal easements on these on these properties. That is the request today for that authorization.

Mr. Self offered a motion to pay the Corps $1,803,000 for DA’s 12 A&B. Mr. Harper seconded the motion and it carried unanimously.

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4. Authorization for the Lake Charles Harbor & Terminal District to proceed acquiring additional disposal easements in DA’s 8, 9 and 13.

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Mr. Hayden passed out several attachments to the Board.

Mr. Hayden said this is the CORPS 20-year plan for rebuilding the sites. That is what the DMMP is all about. It is rebuilding the disposal sites to create more capacity. They have already started working on this plan. CDFD has rocks on the channel side and the lake side. The next step, when more funds become available, is to push material out to the rocks on both sides and then rebuild the levees and they will have a disposal site. This is the order in which they plan to do it. He sent that plan to Mr. Regan Brown and asked him to tell which sites needed to have permanent easements obtained which is 8, 9, 10 and 11. It is not in the order in which the CORPS gave it to staff, but this is the order in which they appear on the channel.

The public notice talks about eight, nine and thirteen. Thirteen does not appear on the list of disposal sites where they need to acquire a permanent easement. That is a special case.

They had the list needing the permanent disposal easements. They wrote to the Corps of Engineers, which is the third attachment in the packet and asked them if they would please begin to work on DA's 8, 10 and 13. The CORPS came back and said, ”No.” They would continue working on 12A and 12B. In the meantime, the infrastructure and jobs act had been passed and they had been given a lot of work to do by Congress. They did not feel that they would be able to handle this work because they had to staff up to do other stuff. They asked if the Port would undertake acquiring these easements as the Port is required to do as non-federal sponsors.

Mr. Hayden stated he is here today to give the Board an update on what they are doing. He is not asking for any money right now, but wants the Board to know that instead of coming to them in the future and asking to authorize a check to be paid to the Corps of Engineers, they will be going out hiring appraisers and surveyors. They will be trying to do the work that the CORPS is now doing for us. When they come back to the Board, they will have an invoice from surveying companies saying that staff owes them money for going out and doing a survey of such and such property.

Staff cannot write any checks from the from this account without Board authorization. They will have invoices and will go through as a state agency, whatever the state requirements are for engaging people to perform these services. Once they get everything together, they will come back to the Board for authorization to talk to the to the landowner. The Board will either approve or not approve and then they will move it forward.

This is in lieu of staff coming to the Board three or four months from now and asking to authorize permission to give a survey company a check. This is the heads up for what they plan to do.

Mr. Self asked Mr. Hayden that just for clarification purposes on the appraisals, for the surveying costs, which would be relatively cheap. In the proposal is he saying that the Port would advance fund the cost of the surveys, but once the appraisals are developed, the full appraisal would not be advanced funded by the Port, but would be coming back to this Board for payment if they were to pursue that acquisition? Mr. Hayden replied that if they made an offer to the landowner based on what the appraised amount is and negotiated and came to a deal that is reasonable, they would come back to this Board and ask for authorization to give the real estate company a check for whatever amount they had agreed upon.

Mr. Self said that the smaller surveying invoices the Port would pay as incurred and then come back to this Board to request reimbursement. Mr. Hayden said if that is what his boss at the Lake Charles Harbor Terminal District wants to do, then that is what they will do.

Mr. Ringo stated that would be the most practical way to approach it. Mr. Self agreed. That way they would not have to come back to this Board every time they needed to hire someone. Mr. Self said especially since this Board is just meeting quarterly.

Mr. Ringo said they discussed this with the advisory committee. If the Board would like to pay up to a certain amount for these preliminary costs other than the actual price of the property that is fine. Or, they could do that and once they have some of those costs or some estimates of those costs, come back at the next meeting and present the Board with requests for reimbursement. He would like to begin the process because it is going to be a long process.

 He would like to begin the process as soon as they can get some of these preliminary steps out of the way, but however the Board wants to do it is fine. Mr. Self said that from a Port perspective, he is comfortable paying for those invoices as they are incurred. Obviously, once the appraisals are submitted, he would want this Board to approve that invoice and he would not want the Port to pay for that in advance.

Mr. Hayden said the map he put up shows eight is right across from CITGO. Nine is a little down river along with ten. The public notice is incorrect in that they are doing eight and ten, not eight, nine and ten. DA 13 is Choupique Island. This island is sort of a special case.

That sliver of Choupique Island on the east side was a withdrawable piece of the easement. A number of years ago, they started to discuss with the landowner acquiring that because it was withdrawable and the landowner said agreed to sell, but wanted them to buy this whole bunch of land he owns someplace else.

The Port is a public agency cannot buy things that it does not need. They did not need this other land, so discussions fell through.

Mr. Hayden said the last document in the packet is a letter from the CORPS saying they would really like to have full use of 13 and a little three-acre piece on 15. What the CORPS did when the landowner withdrew that piece is build a dike and diked off that area so that there would not be any spillage onto the landowner's property and continue using 13.

Mr. Hayden said staff is intending to go back to the owner and let them know they want to buy the strip on the east side of the island. If the owner says they will not sell it unless the Port buys all this other stuff, they will have to explain the situation to them and say the Port cannot do that. If they cannot come to an agreement they will have to begin the condemnation process. The Board would be getting to see bills on that.

He wanted to make it clear why 13 is being addressed even though it is not on the list of properties that have withdrawable easements. It did and the easement was withdrawn.

Mr. Self asked if it was 8, 10, 13 and 15 or just 8 10 and 13. Mr. Hayden replied that they are doing 8, 10 and 13 right now.

Mr. Harper said the reason they would have to do the expropriation because the CORP has an expropriation process. Mr. Hayden stated they do. Mr. Harper said he was told it is more efficient than theirs, but in this situation because they sort of punt it to this Board, they have to do it. Mr. Hayden agreed.

Mr. Hayden said that both of these items went to the advisory committee earlier today. They were discussed and the advisory committee supports the requests.

Mr. Harper call upon Mr. Charles Atherton. He said what they are talking about is the beginning of the next expropriation of land. That is the end result. Mr. Harper said it could be or it could be a negotiated agreement.

Mr. Hayden stated he was correct and to add a footnote to that, that says if the Port does not have these disposal sites, the Port cannot dredge the channel. If they cannot dredge the channel, they cannot bring ships in here. That is what this is all about. He wants the record to be clear. Mr. Atherton stated he appreciated Mr. Hayden’s help.

Mr. Harper asked if they needed to take some type of action or is this just a heads up for them. Mr. Hayden said it was a heads up to them. If the board wants to pass a motion that says they will proceed as described and will be done okay.

Mr. Harper offered a motion to proceed as described Mr. Self asked Ms. Lapeyrolerie for her opinion on this matter or thoughts on potentially taking this next action. She stated that she is not opposed to it, but wanted to say she was abstaining from voting since she is not there in person. Mr. Self said there are rules within the state of Louisiana that preclude her if she is not here in person from voting on these actions. She can participate in the discussion of the agenda items, but she cannot vote on those items. He did want to get her input if there is anything more that she wanted to add to the discussion before they do vote.

Mr. Self offered a motion to authorize the Lake Charles Harbor and Terminal District to proceed acquiring additional disposal easements for DA's 8,10 and 13. Mr. Harper seconded the motion and it carried unanimously.

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5. Other matters which may properly come before the Board

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Mr. Dan Morrish stated that in 2018 the legislature created the Calcasieu Cameron Navigation District. Since this Board and the advisory committee were created, it has not functioned, but he continues to get letters from the Division of Administration, Ethics and from the Legislative Auditor as to why they have not done their annual reporting. He has asked Senator Abraham to file legislation in this coming legislative session to terminate the Calcasieu Cameron Navigation District. Senator Abraham has agreed to do that. Because it is a local bill, they have to do local advertising. It has been advertised in the Lake Charles American Press and in the Cameron Pilot. It will be terminated and will be removed from the books. In the future no one will have any questions about conflicts between that Board and this Board.

Also, Captain Palmer instructed him to talk to Commissioner of Administration Jay Dardenne to be sure that the $5 million for this board from the state was in this in the Governor's budget. It is. He has been assured by Commissioner Dardenne.

He also talked to the advisory committee meeting regarding next year will be the last year that this current administration and this current legislature will be seated, so they will have a new administration and a new legislature in the final year of the $5 million that has been promised by the state. They all need to be aware of that and look at something down the road with a new Governor or those who are running for Governor.

There being no further business to come before the Board, on a motion made by Mr. Self seconded by Mr. Harper and approved unanimously among those present, the meeting adjourned at 2:28 p.m.

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 CHARLES HARPER

 President

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RENEE LAPEYROLERIE

Secretary/Treasurer