Minutes of the Special Meeting of the Calcasieu Ship Channel Funding Management Board held at 10:00 A.M. on March 28, 2023 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

Absent:

None

Also present:

Jon Ringo, General Counsel

 Channing Hayden, Director of Navigation

 Cameron Landry, Director of Administration and Finance

 Regan Brown, Assistant Director of Navigation

Mr. Harper called the meeting to order at 10:00 A.M.

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1. Approval of the November 15, 2022 Meeting Minutes.

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Ms. Lapeyrolerie offered a motion to approve the November 15, 2022 Meeting Minutes. Mr. Self seconded the motion and it carried unanimously.

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2. Consideration and discussion regarding the new DMMP cost estimate from the CORPS.

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Mr. Hayden stated he gave everyone a handout with a cost table on it. The CORPS has required every so often to re-evaluate the cost of their various programs. They evaluated the cost of DMMP in 2015 when the Port Authority and the CORPS executed the project partnership agreement, which implemented the DMMP.

That cost estimate is shown on the handout. They revised the estimate in 2021. The number grew substantially.

This is just for information purposes only. No action is required. This is to advise them of what the CORPS thinks the new cost are. The CORPS normally over-estimates everything.

They will put a 25% contingency fee on everything.

The nonfederal share has gone from $54 million to $257 million. The other cost share of 10% is a charge that the nonfederal sponsor has to pay over 30 years after the project is completed.

In the initial estimate, there is an offset that the Board would have to pay less than $1 million for that. Now that cost has gone up substantially. These are all estimates.

Mr. Self stated Mr. Hayden discussed at the advisory committee that the $257 million would be over a 20-year period.

Mr. Harper asked if that was unusual with the order of magnitude of the increase and cost. Mr. Hayden replied that he was shocked when he saw it as well. Mr. Self stated they all were and as mentioned in the advisory committee, their numbers vary wildly. Mr. Hayden said the CORPS will redo the estimate and who knows what it will be next time.

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3. Consideration and discussion of easement acquisition expenses related to Disposal Areas 8, 9, 10 and 11.

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Mr. Ringo stated the charge of this money management board is to disperse costs associated with the DMMP. Real estate acquisition is the bulk of that cost. Port staff has looked down the channel at all of these disposal areas and found those sites that have those withdrawal clauses that were written back in the 1930’s. They have determined what exactly the Port needs to go acquire in order for the CORPS to use these disposal sites.

The next round of acquisitions is going to be disposal areas 8, 9, 10 and 11. All this is to allow Port staff to go out and get appraisals of those sites and determine what they need to buy and what the fair market value estimate of those withdrawal clause and easements will be. Staff is requesting the Board to authorize them to spend up to $50,000 to get these appraisals. He does not think it will be that much. He has a quote from an appraisal company. He thinks will be around $6,000 per appraisal. This will allow some contingency. It will not exceed $50,000. They will get the appraisals then come back to the Board with an estimate on each of those acquisitions so they can go make good faith offers to the land owners.

Mr. Harper offered a motion to adopt Resolution 2023 – 002 to authorize the Executive Director of the Port of Lake Charles to disburse up to Fifty Thousand Dollars ($50,000) to appraise the Fair Market Value of the necessary property rights in Disposal Areas 8, 9, 10 and 11. Mr. Self seconded the motion and it carried unanimously.

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4. Consideration and discussion regarding the CORPS’ request for $3 million to fund the FY23 Non-Federal sponsor cost share of the DMMP.

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Mr. Harper offered a motion to adopt Resolution 2023 – 001 to authorize the Executive Director of the Port of Lake Charles to disburse up to Three Million Dollars ($3,000,000) to the Corps as the non-federal sponsor’s cost share of the DMMP.

Mr. Hayden stated they have a 25% cost share. In FY23, the CORPS got $9 million in construction funds. They need to match that. The match is based on the CORPS’ $9 million representing 75% of the cost. The Board needs to come up with the other 25%, which works out to be $3 million. He gave the Board a copy of the email from the CORPS requesting staff to send the $3 million to them.

If the Board does not do this, the CORPS will not rebuild disposal site H.

 Mr. Self seconded the motion and it carried unanimously.

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5. Financial Report.

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The Financial report was rendered to the Board and is on file in the Executive office.

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6. Other matters which may properly come before the Board

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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 10:12 a.m.

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 CHARLES HARPER

 President

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RENEE LAPEYROLERIE

Secretary/Treasurer