

**SOUTH TANGIPAHOA PARISH PORT COMMISSION
TUESDAY, JANUARY 8, 2019 – 12:00 NOON
AT
PONCHATOU LA CITY HALL**

MINUTES REGULAR MEETING

President Daryl Ferrara called the Regular Meeting to order at 12:00 noon on Tuesday, January 8, 2019, at Ponchatoula City Hall Chamber, 125 W. Hickory St., Ponchatoula, LA.

Helen Muller, Administrative Secretary, gave the invocation and Commissioner Drake III followed with the Pledge of Allegiance.

Commissioners Present: Cheryl Brumfield, James Wes Daniels II, Ernie Drake III, Daryl Ferrara, Wm. Joubert and James Nelson, M.D.

Commissioners Absent: None

Others Present: Patrick Dufresne, Director; Helen Muller, Administrative Secretary; Andre Coudrain, Kim Coates, Matt Bullinger, Jim Binder, Paris L. Hannfan, Norma Traylor, Karen Bates, Donald Bates, Arden Wells, Joey L. Hebert, Frank Neelis, Salvador Nicolosi, John Hoover, Amanda Byrd, Nolan Bull, Richard R. Neher, Cathy J. Neher, Andrea Malone, Bry Layrisson, Terry Jones, Insa Becnel, Steve Jones, Courtney Forbes, M. Griggs, Melissa T. Bordelon, Mike Tomliason, Ginger Cangelosi, Bridget Bailey, Carla Tate, Kelly S. Wells, Lauren Langlois, Don Ellzey; *The Hammond Daily Star*, Amy Brennan; *The Ponchatoula Times*

President Ferrara welcomed everyone and thanked them for attending. Prior to approval of its meeting Agenda he asked that the Agenda be amended to add Commissioners Joubert and Nelson names *Under New Business as Item 1 and Item 2.*

It was moved by Commissioner Daniels II and seconded by Commissioner Brumfield that the Commission approve the Agenda for the January 8, 2019 Regular meeting, as amended. Motion passed. Call vote. Yeas: 6 Brumfield, Daniels II, Drake III, Ferrara, Joubert and Nelson, M.D. Nays: 0 Absent:

President Ferrara announced that those wishing to address the Commission with public comments to state their name and address for the record and keep a two minute time frame for speaking.

TREASURER’S REPORT:

Commissioner/Treasurer Brumfield presented the Financial Reports for the month ending November 30, 2018. She reported that the Year to Date Actual *total revenues* and Gross Profit were \$465,697 and *total expenses* were \$ 539,463 leaving a *net loss income* of \$ 73,767. The Balance Sheet report showed *Total Assets* \$ 7,831,746 *Total Liabilities & Capital* \$7,831,746 for period ending December 31, 2017.

President Ferrara responded to a few questions that had been previously asked to Ms. Barends, Port’s Bookkeeper, relative to the tower rental income that was not posted electronically in a prior month, but was paid twice the following month, and the delay in payment was the issue due to the banks time frame in posting data by ACH banking. It was also reported that the Commission financials and marketing reports are now being sent- by e-mail, for Commissioners review, on the Friday before the Commission Tuesday regular meeting date, as previously requested.

It was moved by Commissioner Joubert and seconded by Commissioner Nelson, M.D. that the South Tangipahoa Parish Port Commission approves the financial reports for the period ending November 30, 2018/December 31, 2018, as presented by Commissioner/Treasurer Brumfield. Motion passed. Yeas: 6 Brumfield, Daniels II, Drake III, Ferrara, Joubert and Nelson, M.D. Nays: 0 Absent: 0

OLD BUSINESS:

**1. DOTD- Port Priority State Project: SPN-578-53-0012/H.003600 (323)
*Bulkhead, Yard Hard Surfacing and Rail improvements, Phase III Update***

Patrick Dufresne, Port Director, gave a brief update on the status of the DOTD floodwall project. He reported that the final invoicing was still pending from the contractor relative to its completion and the final limestone/paving installation, and will inform the Commission upon completion of the project. President Ferrara reported that he and Commissioner Nelson, M.D. had the opportunity to tour the port site with the Port director. President Ferrara stated that the developments to the Port look very good. Commissioner Nelson comments were credited to the port director and the Commission for the infrastructure/upgrade that had been done to the port facility. In addition, to the appreciative/positive feedback the Port director commented on a recent article/feature story, in a trade magazine, that was sent to the Commission regarding the material used for the laydown storage area at Port Manchac terminal. Ranjit Gujja, P.E, with AECOM was the Project Manager and Designer on the project. The design included interlocking concrete permeable paver system designed for an industrial setting. The Port Commission is pleased with the result of the \$250,000 paving project, designed to support heavy vehicle and shipping containers, making it more efficient to handle trans-loading cargo in the future. Commissioner Nelson commented that the laydown area at Port site is very impressive.

2. Prospective Tenant (s) Update- -Marketing Consultant Update

Marketing Consultant Update:

After wishing everyone a Happy and Prosperous New Year a brief summary was given by Gary LaGrange, Marketing Consultant. A copy of his December 11, 2018 – January 8, 2019 marketing activity report was presented to the Commission for review, as requested. Discussed were the following marketing activities: oil and gas industries, exploration activities taking place off the coast of Louisiana, for export purposes, China's example for exploration, future oil and gas diversifications, river boat and cruise tourism, potential site if mixed development occur, insight on integrating heavy industry with light industry, residential mixed use development activities, HUD federal and state levels, environmental issues, more cargo shipments going by containers, refinery activity, grain shipments, and liquid and bulk cargo. Before concluding his report he congratulated the Commission and commented on the Port's accomplishments saying how impressed he was with the Port's site in regards to the infrastructure projects that would be providing a good foundation economically for the transloading of cargo by truck, rail and barge and for other future things to come.

Commissioner Nelson, M.D. asked questions relative to a prior history of Cooperative Endeavor Agreements with the Port of New Orleans. He also asked if Port Manchac could be a tourist attraction? LaGrange response was, yes, the Port could be a partial tourism attraction and the decision would be between the marketing department and the executive management of the Port Authority. An explanation was given in regards to President Ferrara question regarding the mixture of tourism and heavy industrial usage? LaGrange stated that it could mix, co-exist in the same jurisdictional area, but not on top of each other. He also added that some sort of a buffer-zone would be needed between the two operations. Heavy industrial could not be some type of obnoxious/notorious air pollution of dust, cement or limestone in the air. A well thought design must be put in place to allow the co-existence of both.

3. Invoice Payment Approval

Commissioner Brumfield presented the January 8, 2019 invoices for the Commissioners' review and Payment approval.

- 1. Fontenot Benefits & Actuarial Consulting for GASB 75 Actuarial Valuations (replaces GASB 45) for December 31, 2018 financial statements. Amt. \$3,000 for 2018 and 2019.*
- 2 Gary LaGrange & Associates, LLC Inv. 80 Amt. \$750.00 (December 11, 2018- January 8, 2019)*
- 3. Cash Coudrain & Sandage Invoice 113703 Matter # 4623-6 Amt. \$400.00*

President Ferrara asked for an explanation pertaining to the first invoice for payment approval. The port director responded saying that every 2/3 years in addition to the standard audit, a Government Accounting Standards Board (GASB 75) Actuarial Valuation is required. Therefore, to be in compliance the Port is required to engage a firm for its evaluation for year ending December 31, 2018 and December 31, 2019.

It was moved by Commissioner Nelson M.D. and seconded by Commissioner Daniels II, that the Commission approve payment on the January 8th invoices as presented by Commissioner Brumfield. Motion passed. Call vote. Yeas: 6 Brumfield, Daniels II, Drake III, Ferrara, Joubert and Nelson, M.D. Nays: 0 Absent: 0

APPROVAL OF MINUTES

It was moved by Commissioner Joubert and seconded by Commissioner Nelson, M.D. that the South Tangipahoa Parish Port Commission adopt the minutes of the Public Hearing on the 2019 Budget and its Regular meeting held on Tuesday, December 11, 2018 at 12:00 noon, as presented. Motion passed. Call vote. Yeas: 6 Brumfield, Daniels II, Drake III, Ferrara, Joubert and Nelson, M.D. Nays: 0 Absent: 0

4. Attorney General's Opinion- #18-0125

Ports Attorney, Andre Coudrain, was asked to read a letter, dated January 4, 2019, from the Attorney General's office in response to the Commission's request to seek an attorney general's opinion on behalf of the STPPC concerning the rights and powers of the Commission related to a proposed, Village, MOU/Lease of the Port Manchac property to a private developer. The AG opinion stated that the Commission can lease all of the property to a third party for a mixed use development. The current version of La.R.S.34:1953, which contains the rights and powers of the Commission, sets forth the authority of the Commission; however, it does not assign any mandatory duties that shall be performed by the Commission. It's possible that a port commission may not be allowed to enter into a lease if doing so would prevent the fulfillment of the mandatory duties that have been assigns to it by the Louisiana Legislature. In this case, La. R.S. 34:1953 grants the Commission the authority to perform certain functions but does not impose any mandatory duties on the Commission, as long as it does not contradict any statutory duties place on the Commission by the Louisiana Legislature.

According to Attorney Coudrain review of the STPPC statute it does give the Commission a broader authority to enter into a property agreement proposed by developers as long as it's in the best interest of the public. Attention and focus should be taken into consideration with transforming a lease agreement that involves practical matters such as the Commission's port obligations to existing tenants lease agreements and reimbursements to state on DOTD Port Priority funding projects and other contracts/agreements.

Commissioner Joubert inquired/questioned the port's procedures and if the AG opinion was specifically applied to the STPPC or all ports? The language for the STPPC was created/discovered/established by the Louisiana legislation and is different, as when established for other ports. The Port's attorney commented that the AG opinion gives a pretty blank slate as to what a port does relative to a *this* or *that* opinion as long as it's in line or within normal reason and the best interest to the Port and public. In moving forward, a public meeting would be required, to negotiate/articulate the transformation process of a port terminal operation and to seek a fair market value of the port's property in question.

President Ferrara announced that those wishing to address the Commission with public input/comments to identify themselves by stating their name and address allowing two minutes for their comments/input.

Arden Wells, 1260 E. Pine St., Ponchatoula, LA – After listening to discussions, he believes there will not be any ocean going tour/cruise ship passing through Lake Pontchartrain due to shallow draft. An Attorney General opinion does not constitute law parse. The public's interest, in this case, is broader than the developers who want to get rich in developing Manchac. The public interest lies within the people who resides there and uses Manchac for their livelihood and recreational purposes such as hunting, fishing, boating, tourism, eating seafood and the ambiances of that little Manchac town. He asked of whose interest does this village development really serve? The public's interest is served by preserving Manchac as it is in its present condition.

Linda McClellan, 142 Clover Drive, Ponchatoula, LA - Commented saying she does not believe that the development of the Port property is in the best interest of the public beyond of what Mr. Wells said. Her concerns were that of flooding and that Manchac is a natural barrier that protects our area and cutting into that area would not be of the best interest to the Public.

Kim Coates, Ponchatoula, LA - A member of the Save Manchac Coalition, an organization working to protect the Manchac Swamp wetlands, responded to the AG opinion issued. In disagreement, their belief remains as a bad idea, of the proposed village development/agreement that has been previously discussed relative to the vulnerabilities of the Manchac area to storm surge and upland flooding, and the loss of tidally influenced wetland; that act as a buffer, being the chief concern. The Coalition continues to question whether the statute R.S. 34:1953 authorizing the Commission gives them the legal ability to agree to a private resort development project unrelated to the specified functions of the public port. She introduced/recommended a book on environmental concerns and issues. "One of the Prettiest Spots I Have Seen:" (Politics, Industry and the Destruction of the Manchac Swamp Ecosystem) noted Samuel C. Hyde, Jr. and Keith M. Finley. The Center for Southeast Louisiana Studies at Southeastern Louisiana University had undertaken authorship of the comprehensive historical survey of the region, highlighting the development of the major environmental stressors that have negatively impacted the northern and western Pontchartrain Basin referred to interchangeably in this manuscript of the Manchac ecosystem. A letter was mentioned from the LA DOTD saying they have no jurisdiction relative to ports decisions and does not advocate dismantling the port. Discussed was a map/sketch of an acre of Port donated property described as, Assessment No. 263300, owned by the state board of education at Southeastern. Clarification on this parcel of property was given by the port's attorney, Andre Coudrain, saying it was reverted back to the Port Commission. Commissioner Nelson asked Ms. Coates, as to what part of the Port concerned her the most? She responded saying her concerns applied toward the 100 acres of fragile wetlands.

John Hoover, Ponchatoula, LA – As a fisherman and outdoorsman in Manchac for over 30 years expressed his concerns to the Commission. His main concern was that of the current water quality and it's important and vital role to the fisheries in the Pontchartrain basin. Witnessing many algae blooms over the years it became very evident in December 2018 that the growth of algae blooms had increased alarmingly. There is a nutrient source that was present which caused this massive algae bloom and this is what has him concerned about a development the size of the village at Port Manchac and the impacts of adding yet another nutrient source to North Pass and our lakes.

Manchac is a commercial and recreational fishing community that is water driven based on the health of North & South Pass, and our two lakes which are vital and important migration routes for many species of fish and blue crabs. He said he fears what the future water quality holds if the public does not pay attention to the current environmental issues taking place now.

Terry D. Jones, Prairieville, LA. - Extended thanks to the Commission and the Port's attorney Andre Coudrain for the very well written letter submitted to the Louisiana Attorney General for the opinion. Mr. Jones commented on the recent issuance of the AG opinion and expressed gratitude to the people of Tangipahoa for their support and for their input and feedback. The Village developers were very pleased with the Attorney General's response letter, dated January 4, 2019, regarding their proposed Village development and the South Tangipahoa Parish Port Commission (La. R.S. 34:1953) having the authority to enter into a MOU/Lease agreement of the entirety of the property owned by the Commission to a developer for a mixed-use development, if the Commission desires to do so.

Ernie Drake III, Ponchatoula, LA – Commissioner Drake III commented that he opposes entering into any agreement until such time the developers can produce more pertinent data regarding their proposed Village development plans and the ability to establish a fair market/monetary value of the property in question.

Amy Brennan- Ponchatoula, LA Inquired about environmental issues and condominium opportunities. Rent/Own. Loves the existing Manchac ambiance.

Courtney Forbes, Hammond, LA. Not voting for it. Too many concerns involving present environment.

New Business:

1. **Bill Joubert**- After hearing various input/feedback from multiple interested sources Commission Joubert asked to address the Commission to request that the Commission consider/proceed with a study/survey of the Port Manchac terminal for the purposes of educating the Commission on the best future plan for the Port's usage. He presented a copy of a Strategic Framework Proposal for the Commission's review relative to marketing a development strategic plan for future use. He also asked the Port's attorney, Andre Coudrain, to draft a Request for Proposals for the Commissions review, as part of the process, to determine the Port's best usage upon the research findings.

The Commission was agreeable and approved authorizing Andre Coudrain to draft a *Request for Proposal* pertaining to Commissioner Joubert request to seek study/research proposals to determine the Port's best future plans for land use.

2. **James L. Nelson, M.D.** Had no further comments at this time.

3. Election of Officers for Term 2019

Nominations were made for election of officers to serve for the 2019 calendar year, effective February 1, 2019.

It was moved by Commissioner Joubert, seconded by Commissioner Nelson, M.D. that Commissioner Daryl Ferrara be nominated and elected to serve as President of the Commission. Motion passed. Yeas: 6 Brumfield, Daniels II, Drake III, Ferrara, Joubert and Nelson, M.D. Nays: 0 Absent: 0

It was moved by Commissioner Brumfield, seconded by Commissioner Ferrara that Commissioner Joubert be nominated and elected to serve as Vice President of the Commission. Motion passed. Yeas: 6 Brumfield, Daniels II, Drake III, Ferrara, Joubert and Nelson, M.D. Nays: 0 Absent: 0

It was moved by Commissioner Daniels II, seconded by Commissioner Ferrara that Commissioner Ernie Drake III be nominated and elected to serve as Secretary of the Commission. Motion passed. Yeas: 6 Brumfield, Daniels II, Drake III, Ferrara, Joubert and Nelson, M.D. Nays: 0 Absent: 0

It was moved by Commissioner Joubert, seconded by Commissioner Drake III that Commissioner Brumfield be nominated and elected to serve as Treasurer of the Commission. Motion passed. Yeas: 6 Brumfield, Daniels II, Drake III, Ferrara, Joubert and Nelson, M.D. Nays: 0 Absent: 0

Congratulations were extended to the newly elected officers who will be serving the 2019 term and President Ferrara continued with the meeting agenda items.

4. Audit Engagement-Legislative Auditor Fiscal Year Ended December 31, 2018 **a) Resolution**

It was moved by Commissioner Drake III seconded by Commissioner Brumfield that the Commission approve acceptance of the proposed Audit Engagement Proposal agreement, not to exceed the amount of \$6,000 from Pinell & Martinez, LLP, 308 South Tyler Street, Suite 4, Covington, LA 70433 and execute the engagement contract as stipulated in its proposal to perform the audit for the year ended December 31, 2018. Motion passed. Yeas: 6 Brumfield, Daniels II, Drake III, Ferrara, Joubert and Nelson, M.D. Nays: 0 Absent: 0

5. STPPC Goals for 2019

The port director Patrick Dufresne informed the Commission of his future goals for the port/commission in 2019. He listed/named a few items that were included on his list by identifying the port's goals to continue the ongoing infrastructure investment program, the polymer pellet industry marketing program, and the potential to develop the 100 acre parcel at the port.

Remarks: Port Director, extended thanks and appreciation to attendee's for their interest in the Port activities and giving their input, and extended congratulation to the elected officers who will be serving in 2019. An e-mail from the Attorney General Office sent an invitation to an upcoming training program for state board and commission members and a hard copy of the information was placed in Commissioner's meeting folder for their review. He also announced that he would be speaking at an upcoming engineering conference in reference to the recent news article published in a trade magazine regarding the 25,000 sq.ft. recently constructed lay-down storage pad at Port Manchac.

President Ferrara on behalf of the Commission expressed his thanks to everybody for their participation today and extended congratulation to the 2019 elected officers.

Having no further business, a motion for adjournment was made by Commissioner Ferrara seconded by Commissioner Drake III. Motion passed. Yeas: 6 Brumfield, Daniels II, Drake III, Ferrara, Joubert and Nelson, M.D. Nays: 0 Absent: 0

The meeting was adjourned at 1:37 pm.