

**SOUTH TANGIPAHOA PARISH PORT COMMISSION  
REGULAR MEETING**

**THURSDAY, OCTOBER 10, 2024 12:00 PM  
CITY HALL ANNEX BUILDING - 110 W. HICKORY ST., PONCHATOULA, LA**

President Daryl Ferrara called the regular meeting to order on Thursday, October 10, 2024 at 12:05 PM. The meeting was held at the City Hall Annex Building, located at 110 W. Hickory Street, Ponchatoula, LA.

The invocation was led by Administrative Assistant Robyn Pusey, followed by the Pledge of Allegiance led by Commissioner William Sims.

Commissioners Present: Daryl Ferrara, Tina Roper, Timothy DePaula, William Sims

Commissioners Absent: Jimmy Schliegmeyer, Jr., Rhonda Sheridan

President Ferrara welcomed everyone to the meeting, including financial advisor Shaun McArthur of Edward Jones. Randy Martinez and Bonnie Naquin of Pinel and Martinez. Others in attendance included Patrick Dufresne, STPPC Executive Director, Robyn Pusey, Administrative Assistant, Lee Barends ITL Accounting, Andre Coudrain, Cashe Coudrain and Bass.

**APPROVAL OF AGENDA/MINUTES**

It was moved by Commissioner DePaula and seconded by Commissioner Sims that the South Tangipahoa Parish Port Commission approve the regular meeting agenda for October 10, 2024, as presented. Motion passed. Yeas: 4 Ferrara, Roper, DePaula, Sims. Nays: 0 Absent: 2 Schliegmeyer, Jr., Sheridan

President Ferrara announced that the minutes of the regular meeting on August 14, 2024, had been sent to the Commissioners electronically for review, and a copy of the minutes had been placed in their meeting folders. He reminded everyone that there were no minutes from September as the regular meeting last month had been cancelled due to lack of quorum. After a brief review of the minutes a motion was made by Commissioner DePaula and seconded by Commissioner Sims to adopt/approve the minutes from the regular meeting on August 14, 2024. Motion passed. Yeas: 4 Ferrara, Roper, DePaula, Sims. Nays: 0 Absent: 2 Schliegmeyer, Jr., Sheridan

**TREASURER'S REPORT**

The financial reports ending August 31, 2024 and September 30, 2024, had been emailed to the Commissioners for their review. President Ferrara asked port accountant Lee Barends to review the August and September financials separately. Ms. Barends said in August the income was \$186,200.80 and expenses were \$35,058.00, leaving a net profit of \$151,142.80. She said in

the Hancock-Whitney general account the balance was \$379,283.02, and said there were no large expenses during the month. There were no questions regarding the August financials.

Ms. Barends then reviewed the September financials with the Commissioners, saying that in September the income was \$137,921.07 and expenses were \$24,468.35, leaving the net income for the month at \$113,452.72, and the year-to-date income at \$851,529.85. She said there were no expenses out of the ordinary this month. There were no questions regarding the September financials.

President Ferrara called for a motion to approve the financials for August 2024. It was moved by Commissioner Roper and seconded by Commissioner Sims that the Commission accept/approve the financials for the month ending August 31, 2024. Motion passed. Yeas: 4 Ferrara, Roper, DePaula, Sims. Nays: 0 Absent: 2 Schliegelmeyer, Jr., Sheridan

President Ferrara called for a motion to approve the financials for September 2024. It was moved by Commissioner Roper and seconded by Commissioner DePaula that the Commission accept/approve the financials for the month ending September 30, 2024. Motion passed. Yeas: 4 Ferrara, Roper, DePaula, Sims. Nays: 0 Absent: 2 Schliegelmeyer, Jr., Sheridan

### **EDWARD JONES UPDATE**

The ports financial advisor, Shaun McArthur of Edward Jones, was present to provide a financial update on the STPPC portfolio. He provided a handout to the Commissioners and started by saying there was \$3,251,603.46 in liquid assets, which was a combination of the money market account, mutual funds and insured bank deposits. He said some of the remaining CD's (that preceded him) would be rolling off later this month and into next year. He said the money market is doing well, paying 4.9% interest, though we have "tapped out" of the money market from a legal standpoint, which is why some of that money was being filtered into an insured bank deposit. Based on the Louisiana by-laws only a certain percentage of money can be in mutual funds; the rest needs to be in treasuries, or a government backed bond. He told the Commission that it may be time to discuss locking in some of the yield. He discussed options between something liquid vs something short term. He said later this month there will be a CD maturing, and it cannot be rolled into another CD or into the money market. Mr. McArthur told the Commission about the Louisiana statute (LSA-R.S. 33:2955) regarding investments by political subdivisions which includes the port. STPPC attorney Andre Coudrain agreed, and said there are legal limitations in the types of things that the port can invest in. Further discussion was held regarding options for getting the most interest, and whether a T-bill would be a good option, or insured bank deposits. The CD maturing this month is valued at \$100,000.00, and by the end of this year into next year another \$300,000.00 in CD's will be maturing. Mr. McArthur said if no decision is made on what to do with the money when the CD expires, it would roll into the insured bank deposit which is getting 3%, but eventually will decrease. Mr. McArthur answered a few more questions regarding the money market account, and said he had a copy of the Louisiana statute (LSA-R.S. 33:2955) with him if anyone wanted to review. Mr. McArthur said the Commissioners need to decide on how much they want to be completely liquid, as well as some form of lock in funds. Commissioner DePaula said "it's hard to make a definitive decision about this 5 minutes after hearing the information." After more discussion the Commissioners agreed to allow the CD that is maturing this month to roll into the insured bank deposit. A vote by the Commissioners was not required

Commissioner DePaula said in the long term we need to decide how this will be managed, and Commissioner Sims agreed, saying there should be some standards set across the board. Commissioner DePaula suggested putting this on the agenda next month, and that someone should meet with Mr. McArthur to help lay out our options for managing the maturing CD's and setting standards for future transactions. Commissioner Roper asked Ms. Barends if she would participate in setting the standards, however Ms. Barends said she was not comfortable with this request. She did agree to help Mr. McArthur by providing him with information regarding the port, if needed. President Ferrara told Mr. McArthur he would contact him to set up a meeting. He asked Ms. Barends if she would agree to be a part of the meeting, and she said if she could make it she would let him know. There were no more questions.

## **OLD BUSINESS**

### **1. LA-DOTD Port Priority State H. 011927 – Transload Improvements – update Truck scale container update and electrical update.**

Executive Director Patrick Dufresne said that the first reimbursement for the truck scale project electrical contractor had been received this week and was on the invoice payment approval list today. He said in addition, the port should also receive a small retainage amount, and once received this will conclude the entire project contractor payment process. There were no questions.

### **2. Warehouse Building #3 - evaluation & maintenance schedule update**

Port attorney Andre Coudrain said he and Andy Parker of Premier Chemicals are still communicating to discuss an ongoing maintenance schedule and said he would let the commission know when something is scheduled. Mr. Parker was asked to attend the STPPC meeting today, but he was out of town attending to his residence in Florida after Hurricane Milton.

### **3. Barge dock repair - update**

Mr. Dufresne told the Commissioners that after multiple conversations with FEMA and several requests, he received a revised update (which is still under review) that the port would receive just under \$1,000,000.00 for the dock. He said they are approving approximately \$950,000.00 and the port would receive 90% of that, which also includes the engineering costs. Commissioner DePaula asked why the amount was lower than the original request of \$2,000,000.00. Mr. Dufresne said it was because the original request had been re-reviewed, and the total cost of the repair work went up after the incident to the barge dock. Port attorney Andre Coudrain said he is waiting for the report from the port's engineer, Jim Ragland, that will identify what damage the incident caused that is different from damage that was pre-existing. Mr. Coudrain said a lawsuit must be filed first so the port can know the extent of the claim. He said it is not clear what the claim is just yet, that we must quantify our damages, and hopefully Mr. Ragland can quantify the report soon so that we can move forward. Commissioner DePaula asked if there was an appeals process to get the full amount of \$2,000,000.00, and Mr.

Dufresne recommended that we accept the FEMA offer. He said he is planning to apply for another LA-DOTD grant and capital outlay program funding to supplement the difference and will provide more details later in the meeting.

#### **4. Prospective Tenant(s) – update**

Mr. Dufresne said since the last meeting he was contacted by a company that was interested in setting up a storage and transloading operation of dry bulk material on the remaining few acres of land available at the port. He said this company doesn't have a facility in Louisiana and said there is approximately 3 ½ - 4 acres of land at the port available for use. Mr. Dufresne said this company would primarily use rail and truck, install some storage silos to load trucks as needed and possibly also add barging to their operations. Commissioner Roper asked if there would be any need for additional employees to be hired from around the area. Mr. Dufresne said that Premier Chemicals may have the manpower to help facilitate what the company needs to do. He said he is still in discussion with this company and will have more substantial information at the next STPPC meeting. There were no additional questions.

#### **5. Invoice Payment Approval**

The following invoices for payment were presented today by Commissioner DePaula:

1. Cash Coudrain & Bass

Services rendered through Aug 31, 2024

Inv# 128930	Matter # 4623-1	Amt. \$ 260.00
Inv# 128931	Matter # 4623-13	Amt. \$ 100.00

Services rendered through Sept 30, 2024

Inv# 129185	Matter # 4623-1	Amt. \$ 20.00
Inv# 129186	Matter # 4623-4	<u>Amt. \$ 80.00</u>
		Total Due \$ 460.00

2. Pinel & Martinez, LLC

Audit of the December 31, 2023 financial statements

Inv# 14254	Amt. \$ 6,500.00
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3. Rail Technical Services LLC

Installation of new switch stand

Inv# 18910	Amt. \$ 5,784.00
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4. Ragland Aderman & Associates

Professional services May 1 – June 30, 2024

Inv# 492023021.24.2

Amt. \$ 13,227.50

5. M&R Resources, LLC

Electrical work for Truck Scale SPN H.011927 (323)

Inv# 4497

Amt. \$ 19,400.00

A brief discussion was had regarding the invoice for Ragland Aderman & Associates, that the fees were for additional engineering services for the barge dock, and FEMA should pay 90% of the costs.

A motion was made by Commissioner/Secretary Roper and seconded by Commissioner Sims that the Commission approve payment for the invoices presented today for Cashe, Coudrain & Bass, Pinel & Martinez, Rail Technical Services, LLC, M&R Resources, LLC. The invoice for Ragland Aderman & Associates was approved but will be held until payment is received from FEMA. Motion passed. Yeas: 4 Ferrara, Roper, DePaula, Sims. Nays: 0 Absent: 2 Schliegelmeier, Jr., Sheridan

## **NEW BUSINESS**

### **1. Premier Chemicals Spill Incident – update**

Mr. Dufresne told the Commissioners that Mr. Andy Parker was not available today for an update. President Ferrara wanted it stated for the record that Mr. Parker had been asked several times to appear at one of the STPPC meetings to discuss this incident. President Ferrara and Commissioner Roper said that if Mr. Parker cannot attend, that he should send a representative in his place, and Mr. Dufresne said that Mr. Parker wants to “handle everything himself.”

Mr. Dufresne said on the Sunday evening before Labor Day someone reported seeing some vapors coming from behind one of the warehouse buildings. A storage tote with a faulty valve had leaked approximately 50 gallons of hydrochloric acid (HCl) product onto a loading area behind warehouse building #3. The authorities were called, including the fire department, state police and Department of Environmental Quality (DEQ). He said soda ash was placed on the site of the leak, which was approximately 30 ft long and 4 ft wide. The remaining product in the storage tote was transferred to another storage tote. Mr. Dufresne said he was on site that evening and remained there until 1:00AM. He said the next day a waste management company came and cleaned up the material. The DEQ also returned the next day to check on the clean-up operations and document that the area was properly cleaned. Commissioner Roper wanted to know how the storage totes were being secured, and said this is the second time that a spill has happened on the property with this tenant. She said this is even more of a reason to have a conversation with the tenant, and to ask about how they are handling security for spills when no one is there and the protocol for notification after hours. Mr. Dufresne said one of the things he planned to include in the project list for the next LA-DOTD application is to construct a spill containment area that would help prevent anything from spilling into the water or ground. Commissioner Roper said that sounded like a good idea, however felt most of that cost should be on the tenant, and not on the port, saying “we shouldn’t help him do what he should be

doing.” Commissioner DePaula agreed with Commissioner Roper. Mr. Dufresne said, “we are here to provide the infrastructure for our tenants; this is primarily in regard to the mission of the commission” and gave infrastructure examples of a road, a well, a dock, etc. He said a spill pad would be an improvement to the infrastructure and the facility, and that 90% of the improvements would be paid for by the LA-DOTD. President Ferrara expressed his concerns saying “this is the 2<sup>nd</sup> time something like this has happened” and wondered if it could be a training issue. Mr. Dufresne said continued training by Premier Chemicals would be a good plan of attack.

## **2. Audit Review – FY 2023 Pinel & Martinez**

Bonnie Naquin of Pinel & Martinez introduced herself to the Commissioners and began to explain the audit process. She said financial statements, disclosures and activities of the Port were audited for the year ending December 31, 2023, and included direct confirmation of account balances with third parties such as attorneys, banks, and Investment firms. She stated that they reviewed supporting documentation of the authorization of expenses and proper classification of transactions within the accounting records. They also reviewed contracts, payroll files, tested payroll transactions, and performed analytical procedures comparing the current year to the prior year and actual amounts to budgeted figures. She also said they reviewed supporting documentation for expenses and whether proper approval was obtained. She said based on the audit procedures performed, they believe that the audit evidence obtained was sufficient and appropriate to provide a basis for the audit opinions. Ms. Naquin said they issued an unmodified opinion, that there were no findings or deficiencies related to the Port Commission’s financial statements as of December 31, 2023. She went on to give a brief overview of the assets, liabilities, revenues and expenses that were audited.

During the review, Commissioner Roper had questions about OPEB (Other Post-Employment Benefits), and said there was no line item for OPEB in the port’s budget. A brief discussion was held regarding OPEB and how it is being formulated and managed to obtain the port’s liability amounts. Questions about OPEB were answered by port accountant Lee Barends, Mr. Randy Martinez and Ms. Naquin.

Ms. Naquin said she and Mr. Randy Martinez would be available to answer any questions that may arise once the Commissioners have time to review the full report

## **3. Financial Budget amendments – FY 2024** **a) Resolution**

Lee Barends reviewed the proposed amended budget for FY 2024 with the Commissioners. Discussion was had regarding professional contracts and site & property repair maintenance. It was decided to keep the professional contracts at \$75,000.00 and increase the site and property repair maintenance to \$60,000.00.

A resolution was introduced by Commissioner/Secretary Roper:

At a regular meeting of the South Tangipahoa Parish Port Commission held on October 10, 2024 the following resolution was introduced and adopted; to wit:

Moved by Commissioner Roper, seconded by Commissioner DePaula that the South Tangipahoa Parish Port Commission adopt the following resolution with regard to the 2024 Proposed Amended Budget:

Whereas, the South Tangipahoa Parish Port Commission has met all Formal requirements of Louisiana law; and,

Whereas the South Tangipahoa Parish Port Commission now desires formally to adopt its proposed budget amendments for calendar year 2024 in the form of that made a part hereof:

NOW, THEREFORE, BE IT RESOLVED by the South Tangipahoa Parish Port Commission, acting as the governing authority of the Tangipahoa Parish Port District, that:

1. The Proposed Budget of the South Tangipahoa Parish Port Commission for the calendar year 2024 be and is hereby formally adopted, a copy being attached hereto and made a part hereof by reference.
2. The President of the South Tangipahoa Parish Port Commission, Daryl Ferrara, be and is hereby authorized to provide a copy of the Budget so adopted to the State Auditor of Louisiana, and to take any other actions with reference thereto as may be required by law.

Motion passed. Yeas: 4 Ferrara, Roper, DePaula, Sims. Nays: 0 Absent: 2 Schliegelmeyer, Jr., Sheridan. Ms. Barends said she will send an email to the administrative assistant with the updated information.

**4. LA DOTD Port Priority Program Application**  
**a) Resolution**

Mr. Dufresne told the Commissioners that he met with the LA-DOTD and an engineering company that has experience working with the port priority program. Together, they have identified 10 projects at the terminal that will need to be addressed in the future, including a rail bridge that needs to be replaced, additional rail track for more rail car storage, additional lay-down storage, replacement of the culvert under the driveway that is deteriorating, a fire suppression system that could help with the fire insurance rates, some additional asphalt paving north of each building, completion of the floodwall project that has been engineered but needs additional funding, and some small vessel lift stations that Air Product could utilize, as well as the fire department that had requested accommodation for some of their vessels. As a result, the plan is to make a request to the capital outlay program for an additional \$1,000,000.00 for the barge dock. Requests for the LA-DOTD port priority program and capital outlay program would be done simultaneously. Mr. Dufresne said the name of the engineering company is GIS Engineering, LLC. He said the company has agreed to perform the application work for an amount not to exceed \$20,000.00 in engineering fees for the ten projects to meet the capital outlay application deadline of November 1<sup>st</sup> and the LA-DOTD port priority program deadline of December 1, 2024, which is the last deadline before the next legislative session. He said the applications must be reviewed by the LA-DOTD then approved by the legislature.

A resolution was introduced by Commissioner/Secretary Roper:

At a regular meeting of the South Tangipahoa Parish Port Commission held on October 10, 2024 the following resolution was introduced and adopted; to wit:

Moved by Commissioner Roper and seconded by Commissioner Sims that the South Tangipahoa Parish Port Commission authorize Patrick J. Dufresne, Executive Director, to enter into an agreement with G.I.S. Engineering, LLC, to complete and submit applications to the Louisiana Department of Transportation and Development Port Priority Program and Capital Outlay Funding Program, fees not to exceed \$20,000.00.

Motion passed. Yeas: 4 Ferrara, Roper, DePaula, Sims. Nays: 0 Absent: 2 Schliegelmeyer, Jr., Sheridan

**REMARKS**

Mr. Dufresne thanked everyone for coming. Commissioner DePaula thanked Mr. Dufresne for his work on the port priority program.

Having no further business, a motion for adjournment was made by Commissioner Roper. and seconded by Commissioner DePaula. Motion passed. Yeas: 4 Ferrara, Roper, DePaula, Sims. Nays: 0 Absent: 2 Schliegelmeyer, Jr., Sheridan

The meeting adjourned at 1:15 PM.

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Tina Roper, Secretary STPPC

Daryl Ferrara, President STPPC