

**SOUTH TANGIPAHOA PARISH PORT COMMISSION
PUBLIC HEARING FOR PROPOSED BUDGET 2025 AND REGULAR MEETING**

**THURSDAY, DECEMBER 12, 2024 9:00AM
CITY HALL ANNEX BUILDING - 110 W. HICKORY ST., PONCHATOULA, LA**

President Daryl Ferrara called the public hearing to order on Thursday, December 12, 2024 at 9:07 A.M. The meeting was held at the City Hall Annex Building, located at 110 W. Hickory Street, Ponchatoula, LA.

The invocation was given by Administrative Assistant Robyn Pusey, followed by the Pledge of Allegiance, led by Commissioner Rhonda Sheridan.

Commissioners Present: Daryl Ferrara, Timothy DePaula, William Sims, Rhonda Sheridan

Commissioners Absent: Tina Roper

President Ferrara welcomed the attendees, which included Patrick Dufresne, STPPC Executive Director; Robyn Pusey, Administrative Assistant; Lee Barends, ITL Accounting; Andre Coudrain, Cashe Coudrain and Bass; Shaun McArthur, Edward Jones and Richard Meek, Action 17 News.

APPROVAL OF PUBLIC HEARING AGENDA

It was moved by Commissioner DePaula and seconded by Commissioner Sims that the South Tangipahoa Parish Port Commission approve the Public Hearing Agenda for December 12, 2024. Motion passed. Yeas: 4 Ferrara, DePaula, Sims, Sheridan. Nays: 0 Absent: 1 Roper

NEW BUSINESS

- 1. Public Hearing on the Proposed Budget for 2025**
 - a) Opening Statement**
 - b) Remarks from public/visitors**

President Ferrara announced the opening of the Public Hearing, as pursuant to the authorized published notice in the Daily Star on November 21, November 28, December 5 and December 10, 2024, thereby complying with the Louisiana law requirement. Port accountant Lee Barends said that the proposed 2025 budget had been discussed during the November STPPC meeting. She said there were a couple of changes made in hopes that the 2025 budget would be approved today, unless there were additional questions. Commissioner DePaula said there should be a slight change to legal expenses that will need to be amended, as the commission is unsure of the exact amount. Ms. Barends recommended starting the legal expenses at \$15,000.00 and amending the budget when necessary.

President Ferrara asked if there were any remarks or questions from the public regarding the proposed 2025 budget. There were no questions.

- 2. Adopt Proposed Budget for 2025**
 - a) Resolution**

President Ferrara asked for a motion to proceed with adopting the proposed budget for 2025.

Commissioner DePaula introduced the resolution:

At a Regular Meeting of the South Tangipahoa Parish Port Commission held on December 12, 2024 the following resolution was introduced and adopted, with modifications; to wit:

Moved by Commissioner DePaula, seconded by Commissioner Sims that the South Tangipahoa Parish Port Commission adopt the following resolution with regard to the 2025 Proposed 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 for calendar year 2025 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 2025 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.

A roll call vote was taken:

Yeas: 4 Ferrara, DePaula, Sims, Sheridan. Nays: 0 Absent: 1 Roper

President Ferrara thanked Mr. Dufresne and Ms. Barends for their work on the proposed 2025 budget.

3. Close Public Hearing

President Ferrara announced that the public hearing was now closed and asked that the Commission proceed with the regular meeting.

REGULAR MEETING

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 December 12, 2024, as presented. Motion passed. Yeas: 4 Ferrara, DePaula, Sims, Sheridan Nays: 0 Absent: 1 Roper

President Ferrara announced that the minutes of the regular meeting on November 13, 2024, had been sent to the Commissioners electronically for review, and a copy of the minutes had been placed in their meeting folders. After a brief review of the minutes a motion was made by Commissioner Sheridan and seconded by Commissioner Sims to adopt/approve the minutes from the regular meeting on November 13, 2024. Motion passed. Yeas: 4 Ferrara, DePaula, Sims, Sheridan. Nays: 0 Absent: 1 Roper

TREASURER'S REPORT

The financial reports ending November 30, 2024, had been emailed to the Commissioners for their review. President Ferrara asked port accountant Lee Barends to review the financials with the Commissioners. Ms. Barends said for the month of November the total revenues were \$145,271.80, and total expenses were \$24,281.22, leaving a net income of \$120,990.58. She said looking at the "actual vs. budget" income items, almost all are over except for the rental income and railcar activity income, but felt confident both will be over after December has passed. She said the expenses are "pretty much in line" except for some small overage for marketing and utilities expenses. On the balance sheet, Ms. Barends said the current balance in the operating account was \$362,589.76, and she would authorize Mr. Shawn McArthur of Edward Jones to move over the amount that exceeds \$250,000.00. Reviewing the Edward Jones statement and activity report for November, she said that Mr. McArthur made the changes and allocations of the funds to be within the guidelines that are stipulated for the entity. She said capital assets, liquid assets and operations are "looking good". She asked if there were any questions or concerns, and there were none. Motion was made by Commissioner DePaula and seconded by Commissioner Sheridan to approve the financial report for November 2024. Motion passed. Yeas: 4 Ferrara, DePaula, Sims, Sheridan. Nays: 0 Absent: 1 Roper

EDWARD JONES UPDATE

a) Resolution

President Ferrara introduced the ports financial advisor, Shaun McArthur of Edward Jones. Mr. McArthur said a copy of the investment policy drafted by him and reviewed by the port's attorney was in the commissioner's folders. He read the objective of the policy to the commissioners:

“It is the policy of the South Tangipahoa Parish Port Commission that all funds shall be managed and invested with four primary objectives, listed in order of their priority: safety, liquidity, diversification, and yield. Investments are to be chosen in a manner which promotes diversity. To match potential cash flow needs in the event of a catastrophic event, the Port Commission has agreed a liquidity need of \$2,250,000.00 shall remain in cash like-equivalents, including but not limited to cash, money market, money market mutual funds, Insured Bank Deposits, etc. All remaining assets outside of \$250,000.00 in the Operating Checking will be reinvested in allowable investments per § 2955. Investments by political subdivisions.”

He said the policy statement objective also defines safety, liquidity, diversification and yields. He said the investment officers will be the Commission President and the Executive Director, and in collaboration with Mr. McArther, the registered SEC investment advisor, shall make recommendations and act when funds have exceeded the set amount. President Ferrara mentioned there was a CD coming to term on December 30, 2024, and Mr. McArthur said yes, that the CD for \$200,000.00 was purchased previously by another financial advisor. Mr. McArthur said he would contact the President and Executive Director at the end of the month for approval to move the cash from the expired CD into US Treasuries.

A resolution was introduced by Commissioner DePaula:

Moved by Commissioner Sheridan and seconded by Commissioner Sims that the Commission (a) adopt and approve the attached investment policy and strategy and (b) appoint and designate the Port President and the Port Executive Director, acting together, as Investment Officers with authority to act on behalf of the Commission to execute all documents necessary and advisable to create and maintain the investment portfolio, including the investment and transfer of funds and accounts in accordance with the investment policy and strategy.

Motion passed. Yeas: 4 Ferrara, DePaula, Sims, Sheridan. Nays: 0 Absent: 1 Roper

President Ferrara said that Mr. McArthur has been doing a great job for the commission.

OLD BUSINESS

1. LA-DOTD Port Priority Program Application a) **Resolution**

Executive Director Patrick Dufresne told the Commissioners that the new engineering company that was engaged by the port to perform professional engineering services in relation to the application research regarding the new LA-DOTD Port Priority Program (GIS Engineering), was able to submit the application to the LA-DOTD by the deadline of December 1, 2024. He briefly explained the program to the Commission. He said the 10 projects that were submitted in the application encompass the entire port. Some of the projects included a new rail bridge, new track, floodwall that has already been engineered, new boat slips to facilitate small vessels for the port tenants and the local fire department, paving, and additional money to repair the barge

dock, and included a track mobile. He said that the port was able to utilize the \$835,000.00 in FEMA funding as part of our 10% match. As a result, the port would be responsible for approximately \$273,000.00 of the total construction costs. He said the port would also be responsible for 100% of the engineering costs. The engineering company is still in the process of completing the design plans and business plans for the projects and once completed will be sent electronically to the Commissioners for their review. The plans will eventually be reviewed and hopefully approved by the LA-DOTD and then forwarded to the Louisiana state legislature with the list of this year's projects for review. Mr. Dufresne said it may take a year to be funded but he feels confident the application will be funded at some point. President Ferrara thanked Mr. Dufresne for his work getting the application submitted on time

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

Port attorney Andre Coudrain reminded the Commission about the inspection of the warehouse building done back in January of this year that identified several issues. He said he received recent photographs from the tenant, and the rusting and corrosion appears to have been cleaned up. There was some rusted shelving, but it was identified as belonging to the tenant. He said other concerns that were raised dealt with the safety of electrical issues at the warehouse. He said some of the issues were with Entergy and the tenant is working with Entergy to have them resolved, but it appears the tenant has addressed the electrical equipment damage, the service wiring and lamps on the exterior. Based on the photographs and information reported by the tenant it appears that they have satisfied the requirements set by the Commission back in January. There were no questions.

3. Barge dock repair – update **a) Executive Session**

Mr. Coudrain said regarding the ongoing issues with damage to the barge dock, it has been identified that Broussard Brothers, Inc., was subcontracted by a port tenant, Wilco Marsh Buggies, Inc. to perform some transloading operations in January 2024. During the transloading operations the barge dock was damaged. He said written demand was made to Wilco Marsh Buggies, Inc., to repair the damage to the barge dock. Mr. Coudrain said he has had superficial conversations with Wilco Marsh Buggies, Inc., but nothing substantive. He suggested that since the port has made written demand that the Commissioners go into executive session to discuss the next steps insofar as litigation on this matter. He said this would require a 2/3 vote by the Commissioners. A brief discussion was had regarding the executive session, and whether it could be done during the executive session under "New Business". Mr. Coudrain said the executive session would have to be held separately. He suggested amending the agenda to move this Item down to "New Business" as item #2. A motion was made by Commissioner DePaula and seconded by Commissioner Sims to move agenda item "Old Business" – item #3 to "New Business" - item #2. Motion passed. Yeas: 4 Ferrara, DePaula, Sims, Sheridan. Nays: 0 Absent: 1 Roper

4. Prospective Tenant(s) – update

Mr. Dufresne said there was no prospective tenant update today.

5. Invoice Payment Approval

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

1. Cash Coudrain & Bass

Services rendered through November 30, 2024

Inv# 129672	Matter # 4623-1	Amt. \$ 780.00
Inv# 129673	Matter # 4623-4	Amt. \$ 340.00
Inv# 128674	Matter # 4623-13	<u>Amt. \$2,640.00</u>
		Total Due \$3,760.00

A motion was made by Commissioner DePaula and seconded by Commissioner Sheridan that the Commission approve payment for the invoices presented today for Cashe, Coudrain & Bass. Motion passed. Yeas: 4 Ferrara, DePaula, Sims, Sheridan. Nays: 0 Absent: 1 Roper

NEW BUSINESS

1. Bayou Diesel – lease

a) **Executive Session**

Mr. Coudrain said the port has been in negotiations with the tenant for the lease on Warehouse Buildings 2 and 3 that potentially goes out to 2058 with a 30-year lease and multiple terms. Negotiations are ongoing to combine both buildings into one lease. He said there is still discussion with the tenant about the terms, and that he hadn't yet received the list of chemicals being used in the buildings, and that he is also in the midst of some other discussions with the tenant.

He then explained to the Commissioners the process of going into executive session and said "the balance is prejudice to the public body with having an open discussion and compromising the port's ability to negotiate with someone. If the Commission determines this is a confidential matter, and is also economic development, the law gives a little more flexibility when dealing with economic development projects." Mr. Coudrain said public discussion could compromise the ports' position in negotiating with the tenant, and if the Commissioners wanted to go into executive session, there is some support to do so. The things to discuss would be the rent, the issue with insurance and strategically what kind of terms the Commission is looking for. Commissioner DePaula made a motion to go into executive session and was seconded by Commissioner Sims.

A roll call vote was taken. Yeas: 4 Ferrara, DePaula, Sims, Sheridan. Nays: 0 Absent: 1 Roper.

President Ferrara asked the public guests to leave the room.

A short while later, Mr. Coudrain announced that the Commission was back in open session. He said that there were no votes taken, only items discussed in the executive session.

2. Barge Dock Repair – update

a) **Executive Session**

Mr. Coudrain said Item #2 deals with prospective litigation after written demand for damages done to the barge dock, and he recommended that the Commission go into executive session to discuss. A motion was made by Commissioner DePaula and seconded by Commissioner Sims to go into executive session.

A roll call vote was taken. Yeas: 4 Ferrara, DePaula, Sims, Sheridan. Nays: 0 Absent: 1 Roper.

Approximately 20 minutes later, President Ferrara announced that the Commission was back in open session. Mr. Coudrain said there were no votes taken or action taken, only items discussed in the executive session.

Mr. Coudrain said the next question would be what to do about the damage to the barge dock. Commissioner DePaula said since Wilco Marsh Buggies, Inc. is not engaging, to propose filing suit. A motion was made by Commissioner DePaula and seconded by Commissioner Sims that the Commission authorize the law firm of Cashe Coudrain and Bass, Inc. to file suit on behalf of the South Tangipahoa Parish Port Commission against Wilco Marsh Buggies, Inc, and any other responsible parties. Motion passed. Yeas: 4 Ferrara, DePaula, Sims, Sheridan. Nays: 0 Absent: 1 Roper

REMARKS

Executive Director Patrick Dufresne thanked everyone for attending today and wished everyone Happy Holidays and a prosperous 2025. President Ferrara thanked the Commission for the flowers sent to his mother's funeral. Having no further business, a motion for adjournment was made by Commissioner DePaula. and seconded by Commissioner Sheridan. Motion passed. Yeas: 4 Ferrara, DePaula, Sims, Sheridan. Nays: 0 Absent: 1 Roper

The meeting adjourned at 10:28 AM.

Tina Roper, Secretary STPPC

Daryl Ferrara, President STPPC