

WEST ST. MARY PARISH PORT, HARBOR & TERMINAL DISTRICT

MEETING MINUTES

JULY 6, 2021

6:00 P.M.

The meeting was called to order by Mr. Wilson Terry, President of the Port Commission. Mr. Terry led in the Pledge of Allegiance. Ms. Lanceslin gave the Invocation. A roll call resulted in the following:

Present:

Sam Jones
Donna Lanceslin
Ralph Longman
Greg Paul
Joseph Phillips
Murphy Pontiff
Wilson Terry

Absent:

Willie Peters
Joseph Tabb

Also present at the meeting were Ms. Marguerite Robinson of Teche Talk, Mr. Alan Taylor of Kolder, Slaven and Company, Mr. Eric Duplantis, Port Attorney, Mr. Reid Miller of Miller Engineers, Mr. David Allain, Executive Director and Ms. Rebecca Pellerin, Office Manager of the Port Commission.

A motion was made by Mr. Longman to dispense with the reading of the minutes of the June 1, 2021 meeting and to accept them as presented. The motion was seconded by Mr. Pontiff. Mr. Terry asked if there was any discussion or opposition – there was none. The motion carried unanimously.

Mr. Terry asked if there was any public comment – there was none.

Mr. Alan Taylor gave a report on the Annual Audit performed by Kolder, Slaven and Company for the year ending December 31, 2020. Mr. Taylor reported that the Port received an Unmodified Opinion, which is the best opinion that can be received. He further reported that the Port's financial statements do fairly represent the financial position of the operations of the Port. He also stated that the financial condition of the Port remains strong with an unrestricted fund balance of just under \$6 million available and to be utilized for upcoming projects. He further reported that the year 2020 was a challenge for most and the Port essentially broke even with expenses exceeding revenues by approximately \$31,000. Specifically he attributed this to not having a large construction grant and more so the Covid Relief extended to the Port tenants. He said expenses were slightly more in 2020 with the bulk of this due primarily to the increase in depreciation by the new construction recently completed that was included on the depreciation schedule. There were no unusual expenses during the year. A three year synopsis was included in the report for the Commission's review. He reviewed other areas of the audit report and stated gave credit for the way Port operates and commended the staff. Mr. Taylor said that he would be happy to answer any questions that the Commission might have. Mr. Terry asked for questions and Mr. Jones asked Mr. Taylor for the hard number for annual operational costs. Mr. Taylor responded to Mr. Jones that it was approximately \$600,000. Mr. Jones noted the decline in revenues since 2018 and Mr. Taylor responded that in 2018 the Baldwin facility was leased to Lad Services and the

company did not renew their lease for the majority of 2019 and all of 2020 the facility was not leased. Mr. Jones asked what could be done to make up for the decline in revenues. Mr. Taylor responded that the first item would be to get the tenants back to where they are paying full rent again and the other factor would be to find a tenant for the Baldwin facility. Discussion followed. Mr. Jones asked Mr. Taylor if the Port's accumulation of funds in the unrestricted fund balance comes primarily from property taxes and Mr. Taylor answered that yes, from a cash standpoint, that is where the majority comes from.

Mr. Jones asked Mr. Allain about economic development plans for the Port and about the large amount of funds the Port has accumulated. Mr. Allain responded that the proposed project at the Baldwin facility is a \$7 million project and although the Port has applied for grants for funding of this project, the Port has to have matching funds available. Most projects are on a reimbursement basis, so the Port has to pay the invoices and wait for reimbursement and that is why it is important to have the matching funds on hand. He said with the Port Priority program, it may take as long as 24 months to be reimbursed. Mr. Taylor explained that through the years the Port has had a healthy cash balance and was able to purchase the Superior Facility for approximately \$3 million without any financing and explained that an entity such as the Port can expend \$6 million very fast. Mr. Jones asked what is on the horizon for the Port. Mr. Allain responded that he is working with Sugar Growers and Refiners, Inc. for the construction of warehouses to store sugar at the Baldwin facility. Mr. Allain added that the Training Facility is also being constructed at the Baldwin Facility and will require funds for the maintenance and operation. Mr. Taylor added that the Port also has the expense of maintenance and dredging of the channel at the Port's Louisa location. Discussion followed. Mr. Allain added that funding will be needed to make necessary repairs to the Port's existing structures, particularly roof repairs that could cost an estimated \$375,000.

Mr. Jones noted that surrounding areas have new businesses coming and asked what the Port has planned for the future. Mr. Allain responded that he has met with companies and the common factor with locating business is the lack of a workforce in the area. Mr. Jones stated that within the next couple of months it should be determined how much unencumbered money the port should have in the bank. It was also noted that the Port has remained revenue neutral in the collection of Advalorem taxes and has repeatedly voted to not increase the millage rate.

Mr. Paul reported that throughout the history of the Port, the Commission has met with several potential tenants such as tire companies, international companies and various other businesses. Discussion followed.

Mr. Taylor thanked that Commission for the opportunity to perform the Port's annual audit and welcomed any questions. A motion was made by Mr. Jones to approve the audit report as presented. The motion was seconded by Mr. Longman. Mr. Terry asked if there was any discussion or opposition – there was none. The motion carried unanimously.

Mr. Allain reported that he and Mr. Duplantis continue to negotiate with Sugar Growers and Refiners on contract terms for the lease on warehouse facilities at the Baldwin facility and is hopeful to have a contract at next month's meeting for the Commission's consideration. Mr. Allain also reported that the Port Priority application for funds for the construction of the warehouses will be presented to the Senate Committee in late August or early September for approval.

Mr. Allain reviewed the mid-year financial report presented to the Commissioners. He noted that one line item, the Water Plant, is at 61% due to the cost of maintenance and the recent increase the cost of chlorine. He further noted that all other items were in line as budgeted and offered to answer any questions they may have concerning the report.

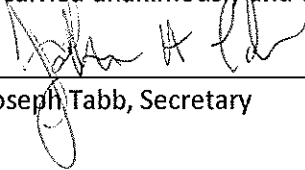
Mr. Miller reported on the progress of the construction of the Training Facility. He said the continuing rain has hindered the progress. He reported that all of the sub-grade and the below foundation utilities are in place. He also noted that all piping is in and everything is roughed in with the exterior form boards ready to go. With regards to the foundation, the contractor has requested that instead of doing everything in one pour that two pours be done due to the recent high probability of rain. The metal building is still scheduled to be in mid to late August. He added that all material and color selections are done and ordered. A motion was made by Mr. Jones to approve and pay Contractor's Estimate No. 4 to ARL Construction in the amount of \$38,379.05 and also to approve and pay Miller Engineers Payment Request No. 6 in the amount of \$1,386.74. The motion was seconded by Ms. Lanceslin. Mr. Terry asked if there was any discussion or opposition – there was none. The motion carried unanimously.

Mr. Duplantis reminded the Commission that all Ethics and Preventing Sexual Harassment Online Training must be completed by the end of the year.

Mr. Jones recommended that the Port map out a plan for the Industrial Park and submit an application for funding from the State of Louisiana for the November 1st, 2021 deadline. Discussion followed. Mr. Jones recommended that Port request funding for the cost to build up the property and for the construction of a building at the Industrial Park.

There being no further business to be discussed, a motion was made by Mr. Paul to adjourn the meeting. The motion was seconded by Mr. Longman. Mr. Terry asked if there was any discussion or opposition – there was none. The motion carried unanimously and the meeting adjourned at 6:50 p.m.

Signed



Joseph Tabb, Secretary