PROCEEDINGS OF A REGULAR MEETING OF

**THE BOARD OF COMMISSIONERS OF**

**THE MORGAN CITY HARBOR AND TERMINAL DISTRICT**

**May 8, 2017**

 The Board of Commissioners (“Board”) of the Morgan City Harbor and Terminal District (“District”) met in regular session at the District’s office at 7327 Highway 182, Morgan City, Louisiana on May 8, 2017 at 5:00 p.m. Gary Duhon, Vice-President, convened the meeting with Commissioners, Joseph Cain, Thomas Ackel, Deborah Garber, Tim Matthews, Sr., Ben Adams and Lee Dragna in attendance. Duane Lodrigue and Adam Mayon were absent. Also present at the meeting were Raymond Wade, Executive Director; Tori Henry, Office Manager; Cindy Cutrera, Manager of Economic Development; Gerard Bourgeois, Board Attorney; Michael Knobloch, Knobloch Professional Services; Captain Blake Welborn, United States Coast Guard (“USCG”); Tim Connell, U.S. Army Corps of Engineers; Clayton Breaud, GSE/Providence Engineering; Parish President David Hanagriff; Councilman Tamporella, Mike Lowe, GIS; Mark Lane, Paul’s Agency; along with members of the media and general public.

 The meeting was called to order and the presence of a quorum was noted. Mr. Wade led the invocation and the Pledge of Allegiance was recited.

It was moved by Mrs. Garber and seconded by Mr. Ackel that the minutes of the Regular Meeting of April 10, 2017 be approved and adopted, with said motion carrying unanimously.

It was moved by Mrs. Garber that the report of receipts and disbursements for the month of April, 2017 be received and accepted and that all invoices presented to the Board for the month of April, 2017 be paid. Mr. Matthews seconded that motion, which carried unanimously.

Captain Welborn reported that: (i) vessel transits are down 10% from 2016 in the VTS Zone; (ii) the Corps of Engineers is predicting the Atchafalaya River to crest at 6’. Mr. Wade noted that he has since learned it will crest at 6.5’ due to the large amounts of rain fall since last Wednesday.

 Tim Connell reported that: (i) the award of contract for dredging of the upper Bar and lower Bay will be awarded on May 10th since they were able to seek additional funds to award; (ii) the IDIQ for dredging of the Harbor will be advertised on May 12th for thirty days; (iii) a draft notice of sources sought has been put together for an industry day to receive input on a special purpose dredge for the Bar Channel, which should be released in the next thirty days, with industry day being held two weeks after that; (iv) There was extensive analysis done on DQM data by ERDC and MVN from the Demonstration project whom are satisfied with the date, as it was exactly as anticipated. Unfortunately, he is unable to show the graphs and plots.

 Mike Knobloch reported that: (i) FY16 Port Security Grant RFP’s are being created, with the help of CypressTech; (ii) FY17 Port Security Grant amount should be announced soon since Congress passed the budget; however, we have not heard anything on TIGER grants. Mr. Wade noted that we have been successful since 2009 with receiving Port Security Grants. Mr. Knobloch also noted that during last week’s weather event, we were able to pull up our cameras and actually watch a funnel cloud form to the west.

 Mike Lowe reported that: (i) they have submitted a pre-meeting requests to the Corps for the 404/408 permit. A project engineer has been assigned and he hopes to meet with him next week, along with Jeff Corbino and waterways engineering division.

Cindy Cutrera reported that: (i) on Friday, May 12th we will be hosting our annual hurricane preparedness meeting; (ii) she and/or Mac attended several meetings and conferences including: Wildlife & Fisheries to discuss possible RESTORE projects; Charles Brittingham , along with some commissioners, and Brittingham has since contacted her regarding tonnage; Manville Borne of KETA to discuss the possibility of a minority business operating a dredge for us; PAL Conference, where Norby Chabert spoke about the need for dredging and channel deepening programs in the State, along with Don Pierson (LED), Tommy Clark (Multimodal), Congressmen Graves and Abraham; CPRA meeting where the Coastal Master Plan was approved by the board, with Point au Fer and Atchafalaya to Terrebonne diversion remaining in the plan and Bayou Chene Flood Control Structure added to the plan; Inland Rivers Ports and Terminal Conference in Kansas City, where she was able to visit with Eddie Belk and Tom Holden from DC Corps and Waterborne Commerce folks from New Orleans; CWPPRA meeting, where Point au Fer projects were not selected; GPAA Spring Conference, where Jim Murphy of MARAD discussed possible funding related to dredging and Jim Walker of AAPA mentioned the OMINUS Bill and additional Corps funding that may be available but only have 45 days from May 5th to submit their requests. We have submitted our requests to Senator Cassidy’s office for support of our project;. (iii) Prior to GPAA meeting, Charles Brittingham notified us that our current FY 18 dredging funding would be $6.645 million but that there were other pots of money available. We have submitted information on the import/export business that has been lost as well as fabrication businesses affected by lack of depth. Mr. Connell noted that we are in a declining revenue cycle with our funding because it is rated on tonnage, which continues to go down so the funding is affected. (iv) Leadership St. Mary, Morgan City Police Department, United States Coast Guard and St. Mary Sherriff’s Office have all held trainings at our facility; (v) Mac took Jay Vicknair with Senator Kennedy and Lauren Cassanova with Senator Cassidy on a vessel tour of the District and hopes to get Senator Kennedy here in August.

Mr. Bourgeois presented: (i) Paul’s Agency insurance renewal for insurance coverages for the District excepting buildings, which has decreased to $72,325.81. Mr. Adams questioned whether there was a benefit in combining property coverages, which renew in October, with the rest of the policies. Mr. Lane noted he didn’t think there would be a benefit but he can certainly look at putting a quote together at the expiration of the building coverage to make the renewals all at the same time. Mr. Dragna moved to authorize renewal with Paul’s Agency, which was seconded by Mr. Adams and carried unanimously; (ii) Ordinance No. 55 for adoption of the 2017 millage by the District, with no change from last year. It was moved by Mr. Adams seconded by Mr. Cain that Ordinance No. 55, providing a rate of 4.48 mills, be adopted. Motion carried unanimously.

# **ORDINANCE NO. 55**

An Ordinance levying and imposing a tax on all the property subject to taxation in the Morgan City Harbor and Terminal District, State of Louisiana, for the year 2017 for the purpose of paying the administrative, operative and maintenance expenses of the Board in said District.

**SECTION 1, BE IT ORDAINED**, by the Board of Commissioners of the Morgan City Harbor and Terminal District, a political subdivision of the State of Louisiana, acting as the governing authority of said Harbor and Terminal District; in regular session convened, that under and by virtue of the Authority of the Louisiana Revised Statutes of 1950 LSA-R.S. 34:329, as amended and Art. 7, Sec. 23 of the Louisiana Constitution of 1974, that the following millage(s) are hereby levied on the 2017 tax roll on all property subject to taxation by the Morgan City Harbor and Terminal District:

**MILLAGE**

**administrative, operative, and maintenance expenses**   **4.48 mills**

 (Tax for: e.g. General Alimony, Library, Maintenance)

**SECTION 2, BE IT FURTHER ORDAINED** that the proper administrative officials of the Parish of St. Mary, State of Louisiana, be and they are hereby empowered, authorized, and directed to spread said taxes, as hereinabove set forth, upon the assessment roll of said Parish for the year 2017, and to make the collection of the taxes imposed for and on behalf of the taxing authority, according to law, and that the taxes herein levied shall become a permanent lien and privilege on all property subject to taxation as herein set forth, and collection thereof shall be enforceable in the manner provided by law.

**SECTION 3, BE IT FURTHER ORDAINED** that all Ordinance or parts of Ordinance in conflict herewith be and the same are hereby repealed, and this Ordinance shall take effect upon its adoption, the public welfare so demanding.

(iii) A renewal of the contract between District and L.R. Services, LLC for provision of as-needed marine captain services. Mr. Dragna moved to authorize Mr. Lodrigue to execute said contract and adopt the following resolution, which motion was seconded by Mr. Ackel and carried unanimously.

**RESOLUTION**

A resolution providing for the execution of a vessel captain agreement for the Morgan City Harbor and Terminal District (“District”), designating the terms and conditions of the contract, and granting the authorization therefor.

 WHEREAS, this Board of Commissioners (“Board”) is authorized by the provisions of LSA-R.S. 34:324 to “contract with the employ attorneys, clerks, engineers, deputy commissioners, superintendents, stevedores and other agents and employees and shall fix their compensation and terms of office or employments,” and,

 WHEREAS, this Board, after due deliberation deems it necessary that a real and genuine necessity exist therefor, to contract with L.R. Services, LLC. for marine captain vessel services and other services related to the advancement of the District.

 BE IT RESOLVED, that the President, Duane E. Lodrigue, is hereby authorized and directed to execute on behalf of the District, an agreement with L.R. Services, LLC. for the provision of marine captain services to the District, substantially in accordance with the terms and conditions of the agreement presented this day.

(iv) A proposed contract between District and Cassidy & Associates, Inc., principally Charles Brittingham, for federal government relations assistance including implementation of section 1113 of the WINN Act, securing additional funding and assistance with tonnage issues, in the amount of $10,000 per month plus expenses. Mr. Cain moved to authorize Mr. Lodrigue to execute said contract and that the follow resolution be adopted, which motion was seconded by Mrs. Garber and carried unanimously.

**RESOLUTION**

 A resolution providing for the execution of a consulting agreement for the Morgan City Harbor and Terminal District (“District”), designating the terms and conditions of the contract, and granting the authorization therefor.

 WHEREAS, this Board of Commissioners (“Board”) is authorized by the provisions of LSA-R.S. 34:324 to “contract with the employ attorneys, clerks, engineers, deputy commissioners, superintendents, stevedores and other agents and employees and shall fix their compensation and terms of office or employments,” and,

 WHEREAS, this Board, after due deliberation deems it necessary that a real and genuine necessity exist therefor, to contract with Cassidy & Associates, Inc., in connection with governmental affairs representation before the federal government to assist the District in assuring the dependability of the existing navigation Channel, being the Lower Atchafalaya River, Bayous Chene, Bouef, and Black, to provide assistance and advice to the District on how best to achieve a dependable Channel that would enable the District to provide support and infrastructure associated with current and future activities in the Gulf of Mexico, transportation of commodities and for other commerce and facilitation of various maritime interests.

 BE IT RESOLVED, that the President, Duane E. Lodrgiue, is hereby authorized and directed to execute on behalf of the District, a consulting agreement with Cassidy & Associates, Inc., for the necessary service relative to the District, substantially in accordance with the terms and conditions of the consulting agreement presented this day.

(v) A proposed contract between District and Greenwood Marine Management, Inc., principally Dan Duplantis, for surveying of equipment and barges and related services at an hourly rate of $90 per hour. Mr. Dragna moved to authorize Mr. Lodrigue to execute said contract and adopt following resolution, which motion was seconded by Mr. Matthews and carried unanimously.

**RESOLUTION**

 A resolution providing for the execution of a consulting agreement for the Morgan City Harbor and Terminal District (“District”), designating the terms and conditions of the contract, and granting the authorization therefor.

 WHEREAS, this Board of Commissioners (“Board”) is authorized by the provisions of LSA-R.S. 34:324 to “contract with the employ attorneys, clerks, engineers, deputy commissioners, superintendents, stevedores and other agents and employees and shall fix their compensation and terms of office or employments,” and,

 WHEREAS, this Board, after due deliberation deems it necessary that a real and genuine necessity exist therefor, to contract with Greenwood Marine Management, Inc. in connection with various matters related to navigation issues including managing sedimentation in the Atchafalaya River Channel with an emphasis on keeping the Channel at a deeper navigable depth for longer periods of time.

 BE IT RESOLVED, that the President, Duane E. Lodrigue, be and is hereby authorized and directed to execute on behalf of the District, a consulting agreement with Greenwood Marine Management, Inc. for necessary service relative to the District, substantially in accordance with the terms and conditions of the consulting agreement presented this day.

BE IT RESOLVED, that the Executive Director, Raymond M. Wade, be and is authorized and directed to do all acts and things necessary, proper, or that may be required to direct the day to day efforts of work to be provided under said consulting agreement.

(vi) A proposed contract between District and IncatCrowther, L.L.C., principally Grant Pecoraro, for naval architecting services at an hourly rate of $150 per hour. Mr. Dragna moved to authorize Mr. Lodrigue to execute said contract, which motion was seconded by Mrs. Garber and carried unanimously.

**RESOLUTION**

 A resolution providing for the execution of a consulting agreement for the Morgan City Harbor and Terminal District (“District”), designating the terms and conditions of the contract, and granting the authorization therefor.

 WHEREAS, this Board of Commissioners (“Board”) is authorized by the provisions of LSA-R.S. 34:324 to “contract with the employ attorneys, clerks, engineers, deputy commissioners, superintendents, stevedores and other agents and employees and shall fix their compensation and terms of office or employments,” and,

 WHEREAS, this Board, after due deliberation deems it necessary that a real and genuine necessity exist therefor, to contract with IncatCrowther, L.L.C. in connection with various matters related to navigation issues including managing sedimentation in the Atchafalaya River Channel with an emphasis on keeping the Channel at a deeper navigable depth for longer periods of time.

 BE IT RESOLVED, that the President, Duane E. Lodrigue, be and is hereby authorized and directed to execute on behalf of the District, a consulting agreement with IncatCrowther, L.L.C. for necessary service relative to the District, substantially in accordance with the terms and conditions of the consulting agreement presented this day.

BE IT RESOLVED, that the Executive Director, Raymond M. Wade, be and is authorized and directed to do all acts and things necessary, proper, or that may be required to direct the day to day efforts of work to be provided under said consulting agreement.

(vii) A proposed contract between District and K2 Dronotics, to evaluate different dredging methods over a three-week intensive period in the amount of $10,000. Mr. Dragna and Cain spoke on the need to get other engineers thoughts on the Bar Channel dredge concepts. Mr. Adams moved to authorize Mr. Lodrigue to execute said contract and adopt the following resolution, which motion was seconded by Mr. Cain and carried unanimously.

**RESOLUTION**

 A resolution providing for the execution of a consulting agreement for the Morgan City Harbor and Terminal District (“District”), designating the terms and conditions of the contract, and granting the authorization therefor.

 WHEREAS, this Board of Commissioners (“Board”) is authorized by the provisions of LSA-R.S. 34:324 to “contract with the employ attorneys, clerks, engineers, deputy commissioners, superintendents, stevedores and other agents and employees and shall fix their compensation and terms of office or employments,” and,

 WHEREAS, this Board, after due deliberation deems it necessary that a real and genuine necessity exist therefor, to contract with K2 Dronotics in connection with various matters related to navigation issues including managing sedimentation in the Atchafalaya River Channel with an emphasis on keeping the Channel at a deeper navigable depth for longer periods of time.

 BE IT RESOLVED, that the President, Duane E. Lodrigue, be and is hereby authorized and directed to execute on behalf of the District, a consulting agreement with K2 Dronotics for necessary service relative to the District, substantially in accordance with the terms and conditions of the consulting agreement presented this day.

BE IT RESOLVED, that the Executive Director, Raymond M. Wade, be and is authorized and directed to do all acts and things necessary, proper, or that may be required to direct the day to day efforts of work to be provided under said consulting agreement.

(viii) A resolution in support of the most efficient and effective dredge for the Bar Channel that will move 11,000 cubic yards per hour, including purchasing or building such a dredge should private industry be unable or unwilling to do so. Mr. Dragna moved for the adoption of the following resolution, which was seconded by Mrs. Garber and carried unanimously.

# **RESOLUTION**

Whereas, the Atchafalaya River and Bayous Chene, Boeuf, and Black Project is not and has not been funded adequately;

Whereas, between 2004 and 2012 Operations & Maintenance funding averaged approx. $18,000,000 per year;

Whereas, in the 2012 Atchafalaya River and Bayous Chene, Boeuf, and Black Dredged Material Management Plan: Preliminary Assessment, the Corps estimated an average annual cost of $39 million to maintain the Congressional Authorized 20’ deep by 400’ wide Atchafalaya River and Bayous Chene, Boeuf and Black Channel (Channel), which was economically justifiable at a benefit-to-cost ratio of 1.7;

Whereas, said Assessment provides that not maintaining authorized channel dimensions would cause McDermott and other channel businesses to relocate and McDermott did permanently move its operations to Altamira, Mexico;

Whereas, the current dredging strategy even at its highest funding did not provide the authorized 20’ by 400’ wide authorized Channel for more than 100 days per cycle;

 Whereas, the Federal appropriations for our Channel dropped to $7.7 million in 2013 and was down to $6.2 million by 2017;

Whereas, through a Value Engineering Study started by the U.S. Army Corps of Engineers and the District in 2002, the Corps and the District have systematically evaluated each proposal for reducing the annual maintenance cost of the Channel;

Whereas, said Study indicated that agitation dredging on a continuing basis offered the best chance of maintaining the Atchafalaya Bar Channel at the lowest cost;

Whereas, the Corps provided for agitation dredging in the Bar Channel in 2002 and 2016, with strong evidence that this dredging method would maintain the Bar Channel;

Whereas, not keeping the Channel to its authorized width and depth has resulted in the loss of any import/export business for the District, loss to industry in additional costs, as well as the inability for industry to bid on any projects that draft more than 15’ of water.

Whereas, it is obvious to the Board and the public that the unpredictability of the depth of the Channel and the concern about its long-term suitability are factors that provide a reason for companies to look for alternative sites outside of the Port of Morgan City;

Whereas, the District has determined that it should seek four primary items with its Dredging Program: First, secure a Permit for it to execute the work; Secondly, officially publish the elevation of the 1200 gms/litre line in the Channel; Thirdly, proceed under the new language of WRDA/WIIN 2016 authorizing the USACE to transfer funds to the District for dredging and Fourthly, identify the most viable dredge options for the Channel;

Whereas, the District has determined that the best way to reduce the cost of maintenance of the Bar Channel and thus the overall cost of maintaining the entire Channel is to make sure that a special purpose dredge, capable of moving 11,000 cubic yards of material in the Atchafalaya Bar Channel per hour, is based in the Morgan City area for continuous use in the Bar Channel;

Whereas, the District would prefer if a private entity built the special purpose dredge, but does hereby pledge to purchase or build such a dredge in the event that a private entity fails to agree to such an enterprise;

Whereas, all appropriate efforts and endeavors towards securing the most efficient and effective dredge that will move 11,000 cubic yards per hour are hereby;

 WHEREAS, the Board of the Morgan City Harbor and Terminal District does wholeheartedly support all appropriate efforts and endeavors towards securing the most efficient and effective dredge for the Bar Channel that will move 11,000 cubic yards per hour;

 NOW, THEREFORE, BE IT RESOLVED by the Morgan City Harbor & Terminal District, that it wholeheartedly support all appropriate efforts and endeavors towards securing the most efficient and effective dredge for the Bar Channel that will move 11,000 cubic yards per hour, including purchasing or building such a dredge should private industry be unable or unwilling to do so;

(ix) Disposal Agreement with C.M. Thibodaux Company, Ltd., which provides a five year right to dispose on its property in Disposal Area 1A. Mr. Adams moved to the adoption of the following resolution, which was seconded by Mr. Ackel and carried unanimously.

**RESOLUTION**

A resolution authorizing the Morgan City Harbor and Terminal District (“District”) to enter into a disposal agreement with C.M. Thibodaux Company, LTD. for use by the United States as outlined in related U.S. Army Corps of Engineer Request.

BE IT RESOLVED, that Duane E. Lodrigue, President, be authorized and directed to execute on behalf of the Morgan City Harbor and Terminal District (“District”), a Disposal Agreement with the C.M. Thibodaux Company, LTD. whereby it grants to the District a servitude, on, over and across, the lands described therein, for use by the District and the United States, their representatives, agents and contractors, to construct, operate and maintain a dredged material disposal area, including the full right of ingress and egress; to construct dikes; to deposit dredged, excavated and sediment material thereon; to accomplish any alterations of contours on said land for the purpose of accommodating the deposit of dredged material as necessary in connection with the construction, improvement, maintenance and operation of the Atchafalaya River and Bayou Chene, Boeuf and Black, Louisiana Project, as authorized by the Act of Congress approved 13 August 1968 (Public

Law 90-483).

BE IT FURTHER RESOLVED, Duane E. Lodrigue, President, be authorized and directed to do any and all act and things necessary, proper, or that may be required to carry out and accomplish the transactions contemplated with regards to the above-mentioned tracts.

With no further business to come before the Board, the meeting was adjourned.

 Attest:

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 Thomas Ackel, Secretary