

**PORT OF IBERIA DISTRICT BOARD OF COMMISSIONERS
SPECIAL BOARD MEETING
TUESDAY, OCTOBER 5, 2021
PORT ADMINISTRATIVE OFFICE – 12:00 P.M.
MINUTES**

The Special Meeting of the Port of Iberia District Board of Commissioners was called to order by Commissioner Roy A. Pontiff, Vice-President, at the Port of Iberia Administrative Office, on Tuesday, October 5, 2021, at 12:00 p.m.

In attendance were Commissioners, Danny J. David, Sr., President, Roy A. Pontiff, Vice-President, Shane Walet, Secretary-Treasurer, Simieon d. Theodile, and Patrick Broussard.

Commissioner Mark Dore' was absent.

Also present were Craig Romero, Executive Director, Joanna D. Durke, Chief Administrative Officer, Tracy Boudreaux, Administrative Assistant, Shari Landry, Receptionist-Secretary, Don Caffery, Port Attorney, and Kent Aguiard, Bankruptcy Attorney for the POI.

Thus, with a quorum being acknowledged, Commissioner Simieon d. Theodile recited the opening prayer and the Pledge of Allegiance.

The purpose of the Special Meeting was to receive a report from Mr. Oneil Malbrough of GIS Engineering, LLC to discuss the AGMAC Phase I Dredging project, as it relates to the Bids which were received on Wednesday, September 29, 2021; and to receive a report from Port Attorney Donelson Caffery, III to (1) provide an update on the Right-of-Way Agreements from landowners for the AGMAC Project & the Board President signing the Agreements; (2) Discuss the ratification of payment to Avery Island, Inc. regarding the "Final payment for legal services Jacques Cousin" (Servitude for Dredging Commercial Canal); (3) Discuss/Consider the approval of Two (2) Landlord Waivers regarding Bayou Holdco; and (4) Update/Discuss Chapter 11 Case of Seadrill Limited on the Docket of the United States Bankruptcy Court, Southern District of Texas, Houston Division.

I. Report from Mr. Oneil Malbrough of GIS Engineering, LLC on:

(a) AGMAC Phase I Dredging Project:

- **Bids Received on Wednesday, September 29, 2021.**

There were Six (6) bids received for the AGMAC Phase I Dredging Project on September 29, 2021. Coastal Dredging Company, Inc.; Callan Marine, Ltd.; Crosby Dredging, LLC; Magnolia Dredge & Dock, LLC; Inland Dredging Company, LLC; and Rigid Constructors, LLC. It is noted that Four (4) of the bids were Hand Delivered and Two of the Bids were Online Bids. The bids ranged from the lowest bid received being \$10,901,938.57 and the highest bid received being \$67,205,869.20. The budget for this project was set to \$13,000,000.00.

➤ **GIS Engineering, LLC Letter of Recommendation.**

Mr. Oneil Malbrough, presented a Bid Evaluation and Award Recommendation letter dated October 5, 2021 regarding the AGMAC Channel Dredging – Phase I (Segment 1 – Commercial Canal) Project. A Bid Tabulation Summary was also presented to the Board.

Based on GIS's evaluation and contingent upon concurrence by the Port of Iberia District and its legal counsel, GIS Engineering, LLC recommends award of the Contract for the Acadiana to Gulf of Mexico Access Channel, AGMAC Channel Dredging – Phase I, Segment 1 – Commercial Canal Project to the responsive low bidder Magnolia Dredge & Dock, LLC in the amount of Ten Million, Nine Hundred One Thousand, Nine Hundred Thirty-Eight Dollars and Fifty-Seven Cents (\$10,901,938.57).

➤ **Discuss/Consider Resolution to Award for LA DOTD.**

A motion was made by Commissioner Patrick Broussard, seconded by Commissioner Simieon d. Theodile to adopt the following:

RESOLUTION

**PORT OF IBERIA DISTRICT
BOARD OF COMMISSIONERS**

RESOLUTION – AWARD PROJECT

PROJECT: Acadiana to Gulf of Mexico Access Channel, AGMAC Channel Dredging – Phase I
Segment 1 – Commercial Canal

PARISH OF IBERIA

RESOLUTION

PORT OF IBERIA DISTRICT BOARD OF COMMISSIONERS

WHEREAS, the Port of Iberia District Board of Commissioners has received bids on Wednesday, September 29, 2021 at 2:00 p.m. on the Acadiana to Gulf of Mexico Access Channel, AGMAC Channel Dredging – Phase I, Segment 1 – Commercial Canal

port improvement project under the provisions of the Capital Outlay Acts; and

WHEREAS, GIS Engineering, LLC has recommended that the Award of Contract be made to the lowest qualified bidder; Magnolia Dredge & Dock, LLC.; and

NOW, THEREFORE, BE IT RESOLVED by the Port of Iberia District Board of Commissioners, in Special session, assembled on this 5th day of October, 2021, acting pursuant to the recommendation of GIS Engineering, LLC, that the Base Bid in the Amount of \$10,901,938.57 by Magnolia Dredge & Dock, LLC be accepted and a contract be awarded to them.

This Resolution having been submitted to a vote, the vote thereon was as follows:

Yeas: Roy A. Pontiff, Shane Walet, Simieon d. Theodile, and Patrick Broussard.

Nays: None.

Absent at Voting: Danny J. David, Sr. and Mark Dore'

And the motion was therefore adopted on this the 5th day of October, 2021.

- **Discuss/Consider Resolution Compliance with Public Bid Law for LA DOTD.**

A motion was made by Commissioner Simieon d. Theodile, seconded by Commissioner Shane Walet to adopt the following:

RESOLUTION CERTIFYING COMPLIANCE WITH THE PUBLIC BID LAWS

PROJECT: Acadiana to Gulf of Mexico Access Channel, AGMAC Channel Dredging – Phase I Segment 1 – Commercial Canal.

PARISH OF IBERIA

RESOLUTION

PORT OF IBERIA DISTRICT BOARD OF COMMISSIONERS

Whereas, the Port of Iberia District Board of Commissioners has solicited bids for the Acadiana to Gulf of Mexico Access Channel, AGMAC Channel Dredging – Phase 1, Segment 1 – Commercial Canal in accordance with the current bid laws of the State of Louisiana, including, but not limited to R.S. 38:2211 et. seq; and

Whereas, the Port of Iberia District Board of Commissioners has submitted to the LA DOTD Certification of Proof of Publication, One (1) copy of the bid proposals and bid bonds as submitted by each of the Three (3) lowest bidders, a legible copy of the bid tabulation of all bids received, and certified to be correct by the Engineer and an

authorized official of the Sponsor, a copy of the engineer's recommendation, contract documents, Notice of Award of Contract, and a copy of the recordation data in the Iberia Parish Clerk of Court's Office.

NOW, THEREFORE, BE IT RESOLVED by the Port of Iberia District Board of Commissioners, in Special session, assembled on this 5th day of October, 2021, does hereby certify that the bidding procedures comply with Louisiana Revised Statutes 38:2211, et. seq.

**This Resolution having been submitted to a vote, the vote thereon was as follows:
Yeas: Roy A. Pontiff, Shane Walet, Simieon d. Theodile, and Patrick Broussard.**

Nays: None.

Absent at Voting: Danny J. David, Sr. and Mark Dore'

And the motion was therefore adopted on this the 5th day of October, 2021.

II. Report from Port Attorney – Donelson T. Caffery, III.

(a) Update on Obtaining Servitudes (Right-of-Way Agreements) From Landowners for the AGMAC Project and the Board President Signing Agreements.

Mr. Don Caffery stated that he has the Right-of-Way Agreements with him and he will get with Mr. Danny David to sign these. Once these are executed, he will get these recorded and then he will put together packets for the Port and the landowners.

- **Discuss the Ratification of Payment to Avery Island, Inc. Regarding the “Final Payment for Legal Services Jacques Cousin” (Servitude for Dredging Commercial Canal).**

Mr. Don Caffery stated that the Port agreed to pay Avery Island's attorney fees so they would not incur any fees associated with the AGMAC Project.

Commissioner Shane Walet expressed concern if this is the only invoice the Port is expecting to pay associated with the landowners. Mr. Don Caffery stated that the Port will be paying James Stein as well.

Mr. Craig Romero stated that Jacques Cousin is the lawyer for the Lemaire family, this is related to the Atmos Energy relocation of the service line. The Lemaire family requested that Atmos pay their legal fees, Atmos then contacted Mr. Craig Romero and Mr. Craig Romero agreed for the Port to pay the legal fees that the Lemaire family incurs. Mr. Oneil Malbrough stated that the Port is not paying any of the Atmos relocation fees; however, Atmos is relocating the service line on their own.

Mr. Don Caffery stated that the final piece the Port needs to wrap up is the Stein Pond with James Stein. Mr. Don Caffery discussed the business evaluation from Stubbs &

Hightower, stating that this was done to check the current market to see what the Port would have had to pay if the Port would not have been able to dispose of the spoil with James Stein. Mr. Don Caffery stated that during the negotiations, the figure that was agreed upon is about \$.76 per cubic yard that will be deposited into the Stein Pond. He also stated that there will be more deposited into the pond, and a ring levee will be built up around the pond. Mr. Don Caffery stated that this payment will be about \$200,000.00 for the use of the pond because James Stein has an active debris removal business that he would normally backfill this pond with.

Mr. Oneil Malbrough stated that they have discussed the Right-of-Way and the terms of the Right-of-Way, Mr. Don is thinking the Board could approve this payment as per agreement. Mr. Don Caffery stated that there is no direct invoice from Mr. James Stein, but based on their negotiations this is what they have agreed to.

Commissioner Patrick Broussard expressed concern about if this payment is a set fee. Mr. Don Caffery stated that this is a one-time payment to James Stein. Mr. Don Caffery stated that part of the temporary workspace and Right-of-Way Agreement is Mr. James Stein is indemnifying the Port perpetuity for the spoil, he is accepting full ownership of the spoil. Commissioner Roy Pontiff asked if the Port is going to have to pay this before beginning the work. Mr. Don Caffery stated that the Port will have to in order to get on the property to build up the ring levee around the pond and to begin dewatering the pond. Commissioner Patrick Broussard asked Mr. Don Caffery if he had an exact number. Mr. Don Caffery stated that it is exactly \$200,000.00. Commissioner Roy Pontiff stated that the Port will be paying in advance of using the property. Mr. Oneil Malbrough stated that yes, the Port will, the contractor that they approve today will have to go on the property and begin the work prior to the pumping of the pond. Commissioner Roy Pontiff questioned if the Port has a contract with this contractor. Mr. Don Caffery stated that yes, the Port does, it is with the group of Right-of-Ways for Mr. Danny David to sign. There is no price in the agreement, the agreement has been signed. Mr. Don Caffery stated that there is a clause in the agreement that allows the Board to set the price. Mr. Don Caffery stated that once the Commission approves the amount, he can make an amendment to the agreement or a side letter identifying the particular price. Commissioner Roy Pontiff asked if Mr. Don Caffery will be adding this number into the agreement, Mr. Don Caffery stated that yes, he will revise this provision of the Right-of-Way, and he will talk to Mr. James Stein about it.

A motion was made by Commissioner Patrick Broussard, seconded by Commissioner Simieon d. Theodile to approve and authorize payment to James Stein not to exceed the amount of \$200,000.00 per the Right-of-Way Agreement for the use of the Stein Pond to deposit spoil from the AGMAC Project; and Motion further acknowledges that this amount will be incorporated into the Agreement by an amendment which will be signed by and between the Port of Iberia District Board of Commissioners and James Stein.

This motion having been submitted to a vote, the vote thereon was as follows:

Yeas: Roy A. Pontiff, Shane Walet, Simieon d. Theodile, and Patrick Broussard.

Nays: None.

Absent at Voting: Danny J. David, Sr. and Mark Dore'

And the motion was therefore passed on this the 5th day of October, 2021.

A motion was made by Commissioner Simieon d. Theodile, and seconded by Commissioner Shane Walet, to approve and ratify the payment made to Avery Island, Inc., in the amount of \$9,486.87 on September 27, 2021, regarding the “Final Payment for Legal Services to Jacques Cousin” (Servitude for Dredging Commercial Canal); and motion further acknowledges that the Cousin & Cousin Invoice Number AI9222021 was referenced on this payment.

This motion having been submitted to a vote, the vote thereon was as follows:

Yeas: Roy A. Pontiff, Shane Walet, Simieon d. Theodile, and Patrick Broussard.

Nays: None.

Absent at Voting: Danny J. David, Sr. and Mark Dore’

And the motion was therefore passed on this the 5th day of October, 2021.

(b) Discuss/Consider the Approval of Two (2) Landlord Waivers Regarding Bayou Holdco.

- **24.2 Acre Tract – 4817 Curtis Lane; and**
- **Lot 1B 3.956 Acres – 5201 Curtis Lane.**

Mr. Don Caffery stated that he has been discussing the Landlord Waivers regarding Bayou Holdco with the agents and the lenders. Mr. Don Caffery stated that on October 4th, they came to an agreement on the terms of the waiver, this was depending upon getting the description of the personal property that the agent was getting a lien on for Bayou Holdco, which covered all personal property. Mr. Don Caffery stated that this presented an issue for the Port to be in a situation where Bayou Holdco claims bankruptcy and the lien holder can come take things the Port has financed. Mr. Don Caffery stated that he sent language and provisions excluding what was not personal property, and he has not heard back from them as of now.

Mr. Don Caffery stated that he would like to send this Agenda item to the Regular Monthly Board Meeting in October to bring the Board the final Agreement and terms to consider.

It was a consensus of the Board to take this Agenda item to the Board’s Regular Monthly Meeting to be held on Tuesday, October 19, 2021 for further discussion.

(c) Update Regarding Chapter 11 Case of Seadrill Limited on the Docket of the United States Bankruptcy Court, Southern District of Texas, Houston Division.

Mr. Kent Aguillard, POI Bankruptcy Attorney, addressed the Board regarding the Chapter 11 Case of Seadrill Limited on the Docket of the United States Bankruptcy Court, Southern District of Texas, Houston Division.

Mr. Kent Aguillard stated that he and Mr. Don Caffery have been in communication regarding Seadrill Chapter 11 Bankruptcy. Seadrill filed a Planned Supplement which is over 800 pages. He stated that he has gotten to the point of what the Port needs to pay attention to pertaining to this. Mr. Kent Aguillard stated that the plan basically states that

Seadrill is going to modify leases and/or unexpired leases. Mr. Kent Aguillard stated that part of the Planned Supplement Exhibit C has an attachment of all the leases Seadrill wants to assume. Mr. Kent Aguillard stated that he has emailed the lead lawyer for Seadrill about avoiding filing an objection. Mr. Kent Aguillard stated that the Port might have to object just to get their attention. Mr. Kent Aguillard stated that he has prepared a limited objection to make it clear that the Port wants certain language included. Mr. Kent Aguillard stated that the Port wants to include language about allowing Seadrill to pay monthly until December 2021, with the annual payment being due January 1, 2022. Mr. Kent Aguillard stated that the only objection he has seen is from the Taxing Authority of Texas. Mr. Kent Aguillard stated that the Port is where it needs to be, he just wants Seadrill to say what they are modifying.

Commissioner Roy Pontiff asked if the Port ever did an amendment to the lease. Mrs. Joanna Durke stated that she made this an item on the agenda in case the Board wanted to do one.

- **Discuss/Consider Authorizing a First Amendment of Lease Agreement Regarding Seadrill Americas, Inc. and Port of Iberia District (57.4 Acres POI West Yard); and**
- **Discuss/Consider Authorization for the Board President to Execute the First Amendment of Lease Agreement.**

A motion was made by Commissioner Simieon d. Theodile, and seconded by Commissioner Shane Walet, to approve and authorize a First Amendment of Lease Agreement to be prepared regarding Seadrill Americas, Inc. and the Port of Iberia District (57.4 acres POI West Yard) as it relates to amending the annual lease payment date to January 1st thru December 31st commencing January 1, 2022 and each year thereafter, according to the Lease Agreement primary term and renewal option periods; and motion further stipulates that the annual lease rate is \$494,671.21; and documentation will be provided to the Chapter 11 Case of Seadrill Limited on the Docket of the United States Bankruptcy Court, Southern District of Texas, Houston Division regarding same; and motion further authorizes the Board President to execute the First Amendment of Lease Agreement.

This motion having been submitted to a vote, the vote thereon was as follows:

Yeas: Danny J. David, Sr., Roy A. Pontiff, Shane Walet, Simieon d. Theodile, and Patrick Broussard.

Nays: None.

Absent at Voting: Mark Dore'

And the motion was therefore passed on this the 5th day of October, 2021.

- **Discuss/Consider Approval/Authorization for the Board President to Execute the Ballot for Accepting or Rejecting the Debtor's Joint Plan of Reorganization.**

Mr. Kent Aguillard stated that in Chapter 11 cases, creditors get to vote. If the Port votes to accept, the Port is voting to accept the general plan that has language about modification in it and does not address our language. Mr. Kent Aguillard stated that the

Port can vote on their ballot in favor of acceptance with a condition on the language being included in the acceptance of our lease pursuant to the modification agreed to between the parties. Mr. Kent Aguillard stated that it is attractive to not do anything.

Commissioner Patrick Broussard asked Mr. Kent Aguillard's recommendation. Mr. Kent Aguillard stated that he sees no downside to vote to accept if the qualification is on the ballot. Worst case scenario is if someone would challenge the vote and the vote gets thrown out. Mr. Kent Aguillard stated that the only thing he does not want the Port to do is vote yes without any conditions. Commissioner Roy Pontiff asked Mr. Don Caffery if he has any comments. Mr. Don Caffery stated that staying silent and being on the record with a strike is not a bad idea. Mr. Don Caffery recommended the Port follows Mr. Kent Aguillard lead on this. Commissioner Shane Walet asked if the vote gets thrown out because of the modification, is this a deal breaker. Mr. Kent Aguillard stated that no, the risk is that potentially nobody would care, the Port voted in favor and they could disregard the modification. Mr. Kent Aguillard stated that the most conservative cautious thing to do is not to vote. Mr. Craig Romero stated that he wanted to hire Mr. Kent Aguillard to protect the Port and its best interest during this process. Mr. Kent Aguillard stated that not voting on the ballot does not hurt the Port. Mr. Kent Aguillard discussed the possibility of a late file vote. Mr. Kent Aguillard stated he will email the lawyers and if the Port's vote does matter, then he will file the ballot late. Lengthy discussion ensued.

It was a consensus of the Board to not take any action on this Agenda item.

III. Adjournment.

On a motion by Commissioner Roy A. Pontiff, seconded by Commissioner Simieon d. Theodile, the Special meeting was adjourned at 12:48 p.m.

It is noted that after adjournment, Mr. Oneil Malbrough, GIS Engineering, presented an informal spreadsheet for the Board to take with them for review as it relates to the AGMAC Funding Plan and Expenditure for AGMAC Phase I – Segment 1 Commercial and AGMAC Phase I – Segment II Freshwater Bayou.

SECRETARY-TREASURER

PRESIDENT