

**LOUISIANA AGRICULTURAL FINANCE AUTHORITY
(LAF) BOARD MINUTES**

February 26, 2024

10:00 AM

LDAF Headquarters

5825 Florida Blvd., Baton Rouge, LA 70806

I. CALL TO ORDER

The meeting was called to order by the Chairman, Louisiana Department of Agriculture and Forestry (LDAF) Commissioner Mike Strain at 10:05 AM.

II. ROLL CALL

The roll was called by Christopher Lowery.

Present: Commissioner Strain, Kent Brown, Devin Davis, Ronald Petree, Jennifer Hill, and Bill Waguespack.

Mr. Lowery stated there was a quorum with six members present.

III. PUBLIC COMMENTS

There were no public comments.

IV. APPROVAL OF MINUTES FROM PREVIOUS MEETING

Commissioner Strain asked the board members to review the minutes from the October 13, 2023, meeting.

A motion was made by Mr. Petree to approve the minutes from the October 13, 2023, meeting. It was seconded by Bill Waguespack

The motion passed unanimously.

V. REVIEW OF FINANCIAL STATEMENTS

Mr. Wayne Tedesco presented LAF's financial statements to the board and answered the members' questions.

A motion was made by Ms. Hill to accept the financial statements. It was seconded by Kent Brown.

The motion passed unanimously.

VI. COMMISSIONER'S REPORT

Commissioner Strain gave an update on the LDAF's efforts in fighting the recent wildfires across the state. He stated there are still wildfires happening in Deridder and that LDAF would be issuing a burn ban.

He reminded the members that the legislature is in session, and that there was only one bill that particularly pertained to LAFA; the bill would allow for two people to be nominated by the Louisiana Bankers Association.

He stated that he recently spent a week in Cuba with an American delegation to meet with various Cuban government ministers to see how the situation in Cuba has changed; they are moving towards a market economy and hopefully the situation would improve. Currently, Louisiana sells them rice and the majority of poultry bought is from Louisiana.

VII. ELECTION OF CHAIR AND VICE-CHAIR

Chairman Strain made a call for nominations for the position of board chair.

Mr. Petree nominated Commissioner Mike Strain. No other nominations were made.

Nominations were closed and Commissioner Strain was elected chairman of the board by acclamation.

Chairman Strain then made a call for nominations for the position of board vice chair.

Mr. Brown nominated Ronald Petree. No other nominations were submitted.

Nominations were closed and Mr. Petree was elected vice chairman of the board by acclamation.

VIII. OLD BUSINESS

A. Reminders for Board Members:

LAFA Director, Nicholas Cole, reminded the board that their financial disclosures are due annually by May 15.

Mr. Cole also reminded the board that they are required to complete annual ethics and sexual harassment training. Mr. Cole also reminded the board to reach out to their nominating entities and express their interest in continuing to serve on the board if they wish to do so. He also stated that by law they would remain in their position until they are re-appointed or replaced by the Governor.

B. Update on Bob Odom Loop Paving Project

Nicholas Cole let the board know that LAFA was currently working on a CEA with a regional economic development agency (Southwest Alliance) to move forward with the paving project. LAFA is working with Alex Guillory on the bid process to secure a contractor.

He stated that LAFA is expecting a project completion by the end of this calendar year.

C. Update on SLRF Grain Bin Project:

The item was moved to discussion under new business.

D. Update on LDAF website

Megan Moore, LDAF Communications Director, let the board know that the new website was launched and played a video from the developing company, Ad-Hoc, to show how the website functions better.

E. Update on RFSI Grant

Mr. Cole updated the board on the Resilient Food Systems Infrastructure grant that LAFA is administering. He let the board know the state plan was submitted and accepted, and that LAFA has put out the Request for Proposals.

He also stated that LAFA conducted information meetings around the state to inform people about the grant.

F. Update on Progressive Tractor's New Lease and Building Project

Mr. Cole reminded the board of the proposal made at the previous board meeting on behalf of Progressive Tractor who leases a building and land at the Lacassine Industrial Park. They want to expand and build onto their current building; therefore they would need a new lease.

Mr. Cole let the board know that a new 10 year lease was proposed to Progressive Tractor that would recoup LAFA's cost for the building within the first ten years of the lease.

Progressive has provided three quotes for the building project.

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IX. NEW BUSINESS

A. Certified Louisiana- Tyler Technology Presentation

LAFAs Assistant Director, Kelly Ransome, told the board that the program administrative website needs for Certified Louisiana are not being met by the current platform, as it is inefficient and outdated. She believes that LAFAs needs an expanded application. Therefore, LAFAs has been seeking a solution and is in the beginning stages of that process.

Tyler Technology, who LDAF currently works with on other projects, presented their solution to the board and discussed how they could help update the Certified Louisiana website.

A motion was made by Ronald Petree to request that LAFAs staff continues seeking additional proposals for a new program administrative system and, in addition, report back to the board by the end of the year.

The motion was seconded by Devin Davis.

The motion passed unanimously.

B. SLRF Discussion and Proposal

Mark Pousson, with SLRF, gave an update about the use of the \$3,000,000 line of credit. He stated that 91% of the construction has been completed. He thanked the board for their partnership, and let them know how many farmers in southwest Louisiana benefited through the partnership.

Mr. Pousson remarked the financial needs of the business and requested use of the \$3,000,000 line of credit as reimbursement of expenses paid for additional mill improvements beyond that of the grain bin project.

Mr. Cole noted to the board that an amendment to the current loan agreement and promissory note may be needed to allow for this.

A motion was made by Chairman Strain to authorize the execution of an amendment, if necessary, to the current \$3 million loan agreement and promissory note between SLRF and LAFAs to allow for reimbursement up to \$550,000 and not to exceed the \$3,000,000 line of credit. The motion was seconded by Jennifer Hill.

Mr. Petree recused himself from discussion of the motion and vote.

The motion passed unanimously.

C. Lacassine: New Lease with Waste Management

Mr. Cole let the board know that Waste Management was seeking to lease a portion of land (around an acre) at the Lacassine Industrial Park.

Mr. Petree moved to authorize Commissioner Strain as chairman to enter negotiations and execute all documents necessary to lease a certain portion of the Lacassine Industrial Park to Waste Management for use as a staging area.

Devin Davis seconded the motion.

The motion passed unanimously.

D. Lacassine Operating Company

Mr. Cole let the board know that the Lacassine Operating Company was seeking to amend their current lease for the purpose adding additional land at the industrial park.

Commissioner Strain moved for the board to authorize himself as chairman to enter negotiations and execute all documents necessary to amend the current lease or enter a new long-term lease with Lacassine Operating Company to allow for the expansion of land being leased at the Lacassine Industrial Park.

Bill Waguespack seconded the motion.

The motion passed unanimously.

E. Board Leasing Policy

Mr. Cole proposed a resolution to allow Commissioner Strain to negotiate new leases that are time sensitive for property owned by the Louisiana Agricultural Finance Authority, within certain criteria, including:

1. Property shall be 5 acres or less as it pertains to land only; and
2. Renewal leases shall be only for current tenants as it applies to buildings; and
3. All values shall be determined in accordance with fair market values; and
4. Authorization does not include contracts for the construction, expansion, or remodeling of buildings.

A motion was made by Mr. Petree to accept the resolution.

Mr. Waguespack seconded the motion.

During the discussion, proposed amendments were made:

1. Include the use of phrase “and land” in the second paragraph after “including leasing buildings...”

2. Property shall be 5,000 square feet.
3. Item 3 was struck

Mr. Petree made a motion to adopt the amendments in globo.

Jennifer Hill seconded the motion.

Mr. Brown made a motion to accept the resolution as amended.

Mr. Waguespack seconded the motion.

X. PUBLIC COMMENT

Mr. Petree thanked everyone for their service on the LAFA board. He especially thanked Mr. Bill Waguespack for 12 years of service.

Mr. Cole thanked everyone who helped with the RFSI presentations.

XI. ADJOURNMENT

A motion to adjourn was made by Ronald Petree.

Bill Waguespack seconded the motion.

The motion passed unanimously.

The meeting was adjourned around 12:00 PM.