

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

June 24, 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 10:09 AM.

II. ROLL CALL

The roll was called by Christopher Lowery.

Present: Commissioner Strain, Hugh Andre, Jennifer Hill, Ronald Petree, Representative Chris Turner and Bill Waguespack

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

Kent Brown entered the meeting at 10:19 a.m.

Also present were board advisors, Senator Stewart Cathey, Jr. and Representative Troy Romero.

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 February 26, 2024, meeting.

A motion was made by Mr. Petree to approve the minutes as presented. It was seconded by Representative Chris Turner.

The motion passed unanimously.

V. REVIEW OF FINANCIAL STATEMENTS

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

A motion was made by Mr. Brown to accept the financial statements as presented. It was seconded by Mr. Waguespack.

The motion passed unanimously.

VI. COMMISSIONER'S REPORT

Commissioner Strain gave an update on the current state of agricultural trade. He discussed the state of foreign currency, and how it affects imports and exports.

The Commissioner spoke of his recent visit to Virginia to collaborate with other southern agriculture commissioners to address looking into new export markets such as Cuba, Sub-Saharan Africa, and areas of Indonesia.

He reminded the members of his recent travels to Cuba, where he traveled with rice experts to facilitate a direct connection. He stated that progress is being made towards working out a deal, but the biggest obstacle is financial resources.

He reminded the board that the legislative session has ended, and extended a thank you to the legislators who serve LAFA's board: Rep. Turner, Rep. Romero, and Sen. Cathey.

VII. OLD BUSINESS

A. Update on SLRF Grain Bin Project:

Mark Pousson, with SLRF, gave an update on the grain bin project at the Lacassine industrial park. He stated that the project was almost complete and fully operational.

B. Update on RFSI Grant

LAFAs Director, Nicholas Cole, updated the board on the Resilient Food Systems Infrastructure (RFSI) grant that LAFAs is administering. He let the board know the independent review panel has completed their review of applications, and the RFSI administrative team is projected to submit the proposals to USDA by mid-August.

He also stated that there was a total of 105 proposals submitted, 75 Equipment-only and 30 Infrastructure, which totaled \$42.4 million in requested funds.

C. Update on Waste Management Lease

Mr. Cole updated the board on the status of a short-term lease they approved with Waste Management at the last board meeting. Waste management was seeking to lease one acre of land, but preparation of the site was cost prohibitive, thus making the lease unnecessary. However, Waste Management was able to move forward with the project with Rail Logics because of their Right of Use Agreement.

VIII. NEW BUSINESS

A. Review and Approval of FY25 Budgets

1. Lafa

Mr. Cole presented the proposed FY25 budget for Lafa to the board and answered the members questions.

A motion was made by Bill Waguespack to accept the FY25 budget. It was seconded by Hugh Andre and passed unanimously.

2. Lacassine

Mr. Cole presented the proposed budget for Lacassine to the board and answered members questions.

A motion was made by Mr. Andre to accept the Lacassine budget. It was seconded by Mr. Brown. Mr. Petree abstained from discussion and vote. It was passed unanimously.

3. Indian Creek

Mr. Cole presented the proposed budget for Indian Creek to the board and Ms. Melissa Hidalgo, LDAF Director of Personnel and Policy and manager of Indian Creek answered questions related to the budget by the board. Commissioner Strain stated that the Indian Creek property is now profitable.

A motion was made by Mr. Petree to accept the Indian Creek budget. It was seconded by Mr. Waguespack and passed unanimously.

B. Lease Approvals

1. Woodworth Airport

Mr. Cole let the board know that Lafa was renewing several ground leases at the Woodworth Airport.

A motion was made by Mr. Andre to authorize Commissioner Strain as chairman to negotiate and execute all documents necessary to renew the current lease agreements in-Globo for James McDonald, Jr., Carol Alexander, Jeffrey Beauboeuf, and Sterling Bain in accordance with the terms provided by the Lafa Director.

Rep. Chris Turner seconded the motion.

The motion passed unanimously.

2. **Evonik**

A motion was made by Mr. Brown to authorize Commissioner Strain as chairman to enter negotiations and to execute all documents necessary to enter into a new lease agreement with Evonik Corporation for the purpose of leasing the large warehouse at the Lacassine Industrial Park.

Mr. Andre seconded the motion.

The motion passed unanimously.

3. **Tetrahedra LLC**

Mr. Cole let the board know that LAFA was in negotiations with Tetrahedra, LLC. to lease a portion of the property at the Lacassine industrial park. He stated that they requested a long-term lease with ten-year renewal periods. This agreement would require the removal of two concrete structures in the workshop building.

A motion was made by Mr. Petree to authorize Commissioner Strain as chairman to enter into negotiations and to execute all documents necessary to enter into a new lease agreement with Tetrahedra, LLC. for the purpose of leasing the workshop, diffuser building, lab, and a portion of the administration building at the Lacassine Industrial Park.

Mr. Andre seconded the motion.

The board discussed the details of the proposed agreement.

The motion passed unanimously.

4. **Civil Service**

Mr. Cole informed the board that LAFA was renegotiating its lease with the Department of Civil Service.

A motion was made by Ms. Hill to authorize Commissioner Strain as chairman to enter negotiations and to execute all documents necessary to enter renew the lease agreement with Civil Service for the purpose of leasing a portion of the LDAF Baton Rouge complex.

Mr. Andre seconded the motion.

The motion passed unanimously.

5. **LDAF**

A motion was made by Mr. Waguespack to authorize Commissioner Strain as chairman to enter negotiations and to execute all documents necessary to enter into a new lease agreement with the Louisiana Department of Agriculture and Forestry for the purpose of leasing the same properties currently leased and as used by the department and its employees to carry out its mission and functions.

Mr. Andre seconded the motion.

The motion passed unanimously.

C. **Chairman's Purchasing Threshold**

Mr. Cole informed the board that the current purchasing resolutions for LAFA only pertain to general procurement and Lacassine property. He proposed a resolution that would allow the Commissioner to approve purchases up to \$250,000.

A motion was made by Mr. Petree to adopt the resolution, as read, to ratify the chairman's authority and the authority of the director of LAFA to approve certain purchases without board approval.

Ms. Hill seconded the motion.

The motion passed unanimously.

D. **SLRF Loan Agreement Terms**

A motion was made by Ms. Hill to amend the current loan agreement and promissory note for the \$3MM line of credit extended to the South Louisiana Rail Facility for the purposes of beginning interest only payments on July 1, 2024 with an annualized payment due by no later than June 15, 2025, and beginning monthly principal and interest payments on August 1, 2025.

Mr. Waguespack seconded the motion.

Mr. Petree recused himself from all discussion and voting.

E. **Lacassine Repair and Improvement Projects**

Mr. Cole presented the board with a list of projects to be completed at the Lacassine Industrial Park.

The board approved the following projects:

- Building a South Gate rail crossing

- Repairing the roof of the Bagasse Building
- Building a fence for a tenant (Quanta)
- Workshop Building: Concrete Busting

The board requested additional quotes for the following projects:

- The building of a new shed for the Lacassine maintenance crew.
- The purchase of a new manlift.

The board deferred the following projects:

- Diffuser Building enclosure
- Pond drainage system

Chairman Strain requested a motion to approve the list of projects and to accept the lowest or best quality quote on a manlift presented for purchase.

Ms. Hill made the motion and it was seconded by Mr. Waguespack. The motion passed unanimously.

IX. PUBLIC COMMENT

Mr. Cole introduced Mersaydes Davis as the new Administrative Coordinator for LAFA.

Mr. Cole reminded the board to complete their financial disclosures. He thanked the board for their continued service. He also thanked the LAFA staff for their work managing multiple programs and projects.

Commissioner Strain thanked the board members for their service as well. He also thanked Mr. Cole for his hard work on the lease negotiations.

Mr. Petree introduced Ben Boudreaux to the board as the Parish Administrator for Jefferson Davis Parish Police Jury.

X. ADJOURNMENT

A motion to adjourn was made by Representative Chris Turner.

Mr. Waguespack seconded the motion.

The motion passed unanimously and the meeting was adjourned at 12:06 PM.