

**THE BOARD OF COMMISSIONERS OF THE PORT OF NEW ORLEANS
MINUTES OF THE REGULAR BOARD MEETING
THURSDAY, AUGUST 20, 2020**

A REGULAR MEETING OF THE BOARD OF COMMISSIONERS OF THE PORT OF NEW ORLEANS, PROPERLY NOTICED AND AUTHORIZED IN ACCORDANCE WITH PROCLAMATION 102 JBE 2020, CONVENED REMOTELY VIA ZOOM VIDEOCONFERENCE AT 1:31 P.M. ON THURSDAY, AUGUST 20, 2020.

MEMBERS

Darryl D. Berger, Chairman

PRESENT:

William H. Langenstein, III, Vice-Chairman

Charles H. Ponstein, Secretary-Treasurer

Tara C. Hernandez, Member

Jack C Jensen, Jr., Member

Joseph F. Toomy, Member

Walter J. Leger, Jr., Member

STAFF:

B. Christian, President and Chief Executive Officer

A. Fant, Vice President, Planning and Facilities

B. Landry, Vice President, Commercial

R. Wendel, Chief Financial Officer

A. Evett, Vice President, Chief Engineer

J. Escudier, Executive Counsel

M. Scelson, General Counsel

C. Coats, Director, Real Estate

A. Pellegrin, Director, Sustainable Development

R. Aragon Dolese, Director, Marketing and Communications

J. Guidry, Director, Maintenance

M. Verderame, Director, Records

E. Pansano, Director, Internal Audit

T. Carter, Director, Procurement

J. Crist, Deputy Director, Terminal Operations

G. Palermo, Deputy General Counsel

M. Gresham, Director, External Affairs

D. Cordell, Chief Information Officer

J. Sholar, Director, Human Resources

H. Horan, Human Resources

J. Mansour, Director, Commercial

J. Ragusa, Public Affairs

C. Alfonso, Manager, Community Engagement

A. Taylor, Procurement

C. Falgoust, Procurement

J. Woodward, Sustainable Development

J. Swartout, Commercial

L. Lofton, Internal Audit

E. Federer, Manager, Environmental

M. Sulser, Manager, Engineering

M. Singley, Board Secretariat
Capt. M. Montroll, Harbor Police Department
B. McManus, Attorney

GUESTS: M. Stolzman, NOPB
C. Kocur, NOPB
B. Adams
B. Richards
E. Elam
E. Webb
H. Chien
J. Maloney
J. Galliano
K. Calkins
L. Dial
T. Wells
W. Wachel

I. Roll Call & Determination of Quorum

Following a roll call of Board members, Chairman Berger confirmed a quorum and called the meeting to order at 1:31 p.m.

II. Approval of Meeting Minutes for July 2020

Chairman Berger called for a motion to approve the public meeting minutes for July 2020, as previously circulated.

Commissioner Hernandez moved to accept the minutes and Commissioner Langenstein seconded the motion. **MOTION CARRIED UNANIMOUSLY**

III. Briefing & Action Items:

A. Acceptance of the Consolidated Financial Statements for July 2020.

Mr. Wendel presented the consolidated financial statements for July 2020, a copy of which is made a part of these minutes. Mr. Wendel presented the operating revenues and fiscal year-to-date figures for gross revenues, labor costs, operating costs, and operating incomes for the Board, as well as on a consolidated basis with the New Orleans Public Belt Railroad Corporation (“NOPB”). Mr. Landry provided an overview of the Board’s cargo volumes, and Mr. Stolzman provided an overview of NOPB’s operation volumes.

Commissioner Leger asked if operating budget projections for fiscal year 2021 factor in anticipated COVID-19 business impacts. Mr. Wendel confirmed that the fiscal year 2021 budget, formally adopted by the Board in June, was adjusted accordingly to factor in the impacts of the pandemic.

Commissioner Leger moved to accept the financial statements and Commissioner Jensen seconded. **MOTION CARRIED UNANIMOUSLY**

Commissioner Toomy joined the meeting at 1:40 p.m.

B. Consider Approval of a Resolution Authorizing the President and Chief Executive Officer to Enter into an Annual Contract with United Healthcare Insurance Companies to Provide Medicare Advantage Plan to the Board's Retirees.

Mr. Wendel presented and recommended approval of the resolution. He stated that the Board offers a Medicare Advantage Plan (the "Plan") to its eligible retirees, of which there are currently 110 retirees on the Plan. Mr. Wendel presented the costs and benefits of the two options offered by the Plan, noting that the anticipated cost to the Board for twelve months of coverage will be \$168,000, resulting in a saving of approximately \$26,000. The Plan is offered through United Healthcare Insurance Companies and the renewal coverage will be effective on January 1, 2021.

Commissioner Jensen moved to approve the resolution and Commissioner Langenstein seconded. **MOTION CARRIED UNANIMOUSLY**

C. Consider Approval of a Resolution Authorizing the President and Chief Executive Officer to Enter into an Amendment in an Amount Not to Exceed \$250,000 to the Contract with AECOM Technical Services, Inc., to Provide Engineering Services for the Nashville Avenue Terminal Crane Rail Extension Project.

Mr. Evett presented and recommended approval of the resolution. He noted that the Board assumed this contract with AECOM Technical Services, Inc. from Ports America Louisiana, L.L.C. in March 2019, to provide engineering design services for the Nashville Avenue Terminal crane rail extension project (the "Project"). Over the last year, the design of the Project has been modified to mitigate delays due to extensive high river, as well as other required design changes. Consequently, a contract amendment is needed in the amount of \$250,000 to account for these changes. Funding for this amendment is allocated in the Board's Capital Investment Plan.

Commissioner Jensen asked if there were further amendments anticipated for this Project. Mr. Evett confirmed that staff did not anticipate additional change orders.

Commissioner Langenstein asked if this was the first amendment to date, and Mr. Evett confirmed that this was the first amendment executed since the Board assumed the contract.

Commissioner Langenstein moved to approve the resolution and Commissioner Hernandez seconded. **MOTION CARRIED UNANIMOUSLY**

D. Briefing on the President and Chief Executive Officer's Declaration of Extreme Public Emergency in Connection with Container Cranes Nos. 5 & 6.

Mr. Evett briefed the Board on Ms. Christian's Declaration of Extreme Public Emergency, issued in connection with damage sustained by the Board's Container Crane's No. 5 and 6 while working on the M/V *CMA CGA Bianca*. At approximately 1400 hours on Sunday, August 20, 2020, during a thunderstorm, the container vessel broke free from its moorings and drifted away from the wharf, causing extensive structural damage to the cranes and loss of equipment in the river. Emergency actions were taken to mitigate the damage and immediately start the repair process. In accordance with Article XI(ix), of the Board's Bylaws, the President and Chief Executive Officer approved a Declaration of Emergency and provided a memorandum to the Board.

Commissioner Jensen asked if the vessel had been placed on notice in connection with the incident, and Commissioner Ponstein asked for clarification regarding the equipment that fell into the river in connection with the incident. Mr. Escudier, Executive Counsel for the Board, stated that relevant parties have been placed on notice in connection with the incident, and while the matter was still under investigation, the Board was coordinating with the U.S. Coast Guard and other parties on ongoing mitigation efforts.

E. Consider Approval of a Resolution Authorizing the President and Chief Executive Officer to Enter into Separate Professional Services Contracts with (1) Leaf Environmental, LLC; (2) Partner Engineering and Science, Inc.; and (3) Terracon Consultants, Inc., to Provide As-Needed Environmental Compliance, Assessment, and Remediation Services for a Period of Three Years for an Amount Not to Exceed \$200,000 Per Contract.

Ms. Pellegrin presented and recommended approval of the resolution. She stated that the Board requires various as-needed professional services to assist in maintaining environmental compliance with all regulatory requirements for facilities, operations and construction projects. These as-needed contracts support multiple departments and multiple contracts are needed to fulfill the Board's needs for various specialties and projects. The Board received nine (9) proposals in response to a request for proposals (RFP), and the recommended firms were the three (3) highest-ranked by the selection committee according to the evaluation criteria. Each contract is for a three-year term, with an amount not to exceed \$200,000 per contract. Funding for these contracts is allocated in the Board's Capital Investment Plan.

Commissioner Langenstein asked if the Board currently retained similar services, and if so, whether any of the current firms were included in the proposed new contract awards. Ms. Pellegrin stated that the Board's current contracts for these services were expiring and that Terracon Consultants, Inc. is currently performing similar work for the Board.

Commissioner Langenstein asked if the \$200,000 not-to-exceed amount encompassed the full contract term. Ms. Pellegrin confirmed that not-to-exceed value was per contract, for the full three-year term.

Commissioner Jensen moved to approve the resolution and Commissioner Ponstein seconded. **MOTION CARRIED UNANIMOUSLY**

F. Consider Approval of a Resolution Authorizing the President and Chief Executive Officer to Enter into Separate Professional Services Contracts with (1) J.S. Held, LLC; and (2) N-Y Associates, Inc., to Provide As-Needed NEPA Technical Assistance for a Period of Three Years for an Amount Not to Exceed \$300,000 Per Contract.

Ms. Pellegrin presented and recommended approval of the resolution. She stated that the Board requires as-needed professional services to provide technical assistance relating to National Environmental Policy Act (“NEPA”) compliance for various projects. The Board received eight (8) proposals in response to a request for proposals (RFP), and the two (2) recommended firms were the highest ranked by the selection committee according to the evaluation criteria. Each contract is for a three-year term, with a not to exceed amount of \$300,000 per contract for the full term. Funding for these contracts is allocated in the Board’s Capital Investment Plan.

Commissioner Langenstein asked if the Board has current contracts for similar services. Ms. Pellegrin responded that these are new contracts needed to specifically address federal environmental requirements in connection with various federally-funded Board projects, including completion of categorical exclusions and environmental impact studies.

Commissioner Langenstein moved to approve the resolution and Commissioner Hernandez seconded. **MOTION CARRIED UNANIMOUSLY**

G. Consider Approval of a Resolution Approving and Adopting the Proposed Amendments to the Board’s Bylaws.

Ms. Escudier presented and recommended approval of the resolution. In accordance with Article XIII(ii) of the Board’s current Bylaws, the Board was briefed on proposed amendments to the Bylaws during the July Board meeting. Mr. Escudier presented a summary of the proposed amendments, including Consumer Price Index (CPI) adjustments to the President and Chief Executive Officer spending authority, along with various other authority and procedural updates.

Commissioner Leger asked for clarification regarding the type of non-disclosure agreements included in the President and Chief Executive Officer’s authority to execute. Mr. Escudier stated these types of agreements would be executed in connection with specific economic development negotiations, subject to the provisions of La R.S. 44 *et seq.*

Commissioner Leger moved to approve the resolution and Commissioner Jensen seconded. **MOTION CARRIED UNANIMOUSLY**

H. Consider Approval of a Resolution Authorizing the President and Chief Executive Officer to Consent to an Assignment of the Board’s Lease with Seaonus Stevedoring New Orleans, LLC for Property Located at Alabo Street Wharf.

Mr. Crist presented and recommended approval of the resolution. He stated that the Board's current lease with Seaonus Stevedoring, LLC ("Seaonus") includes approximately 9.33 acres of property located at Alabo Street Wharf. Pursuant to the terms of the lease, Seaonus must acquire Board approval to assign the lease to Gulf Stream Marine, Inc. ("Gulf Stream"). Under the proposed assignment, Gulf Stream would assume the remaining 20 months on the current lease, with the intent to negotiate a new lease agreement. The effective date of the assignment would be on or before October 1, 2020.

Commissioner Langenstein asked if Gulf Stream currently operates within the Board's facilities or jurisdiction. Mr. Crist responded that their closest operation is in Pascagoula, Mississippi, while the company is head quartered in Houston, Texas.

Commissioner Ponstein inquired about the current lease revenue. Mr. Crist stated that the current minimum annual revenue guarantee is \$734,465, and that amount would remain in place for the remaining term of the current lease.

Commissioner Jensen asked if any prepare or improvement work would be performed on the facility as a condition of Gulf Stream's occupancy. Mr. Crist responded that the facility is in excellent condition, and no additional work was anticipated to prepare the facility for the new tenant. Prior to the transition, a move-out survey will be conducted of the facility.

Commissioner Ponstein moved to approve the resolution and Commissioner Langenstein seconded. **MOTION CARRIED UNANIMOUSLY**

IV. Report by the President and Chief Executive Officer

Ms. Christian welcomed Gulf Stream Marine, Inc., and parent company Logistec, to operating at the Port of New Orleans.

Ms. Christian also reported on the agreement signed by Governor John Bel Edwards to deepen the lower Mississippi River from the current 45 feet to 50 feet. She thanked all the parties involved in this milestone achievement and emphasized that it will be beneficial to the local economy while contributing to the restoration of critical marsh habitat.

Chairman Berger thanked staff for their ongoing commitment and hard work, even in the midst of such unprecedented circumstances.

V. Adjournment

There being no further business to come before the Board, Chairman Berger called for a motion to adjourn. Commissioner Jensen so moved and Commissioner Leger seconded. **MOTION CARRIED UNANIMOUSLY** and Chairman Berger adjourned the meeting at 2:24 p.m.