

**THE BOARD OF COMMISSIONERS OF THE PORT OF NEW ORLEANS
MINUTES OF THE REGULAR BOARD MEETING
THURSDAY, SEPTEMBER 24, 2020**

**A REGULAR MEETING OF THE BOARD OF COMMISSIONERS OF THE PORT OF
NEW ORLEANS, PROPERLY NOTICED AND AUTHORIZED IN ACCORDANCE
WITH PROCLAMATION 118 JBE 2020, CONVENED REMOTELY VIA ZOOM
VIDEOCONFERENCE AT 1:31 P.M. ON THURSDAY, SEPTEMBER 24, 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

S. Gauthier, Director, Cruise

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

R. Bylsma, Manager, Construction

H. Horan, Human Resources

J. Ragusa, Public Affairs

C. Alfonso, Manager, Community Engagement

A. Taylor, Procurement

C. Falgoust, Procurement

J. Woodward, Sustainable Development

E. Federer, Manager, Environmental

M. Cloos, Sustainable Development

M. Singley, Board Secretariat

Chief Hecker, Harbor Police Department
Capt. M. Montroll, Harbor Police Department

GUESTS: M. Stolzman, NOPB
C. Kocur, NOPB
A. Moore, NOPB
C. Smoot, NOPB
C. Hill
K. Galloway
N. Junius
J. Ming
J. Tumminello
K. Price
B. Adams
K. Calkins

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 1:34 p.m.

II. Approval of Meeting Minutes for August 2020

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

Commissioner Leger moved to accept the minutes and Commissioner Jensen seconded the motion. **MOTION CARRIED UNANIMOUSLY**

III. Briefing & Action Items:

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

Mr. Wendel presented the consolidated financial statements for August 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 revenue 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 gave an overview of NOPB’s operation volumes.

Commissioner Toomy asked if there were anticipated budget adjustments following the latest announcement from the cruise industry regarding resuming of operations. Mr. Wendel confirmed that staff are currently working with the Board’s cruise partners to calculate subsequent budget impacts and hope to finalize updated estimated within the next month.

Commissioner Toomy moved to accept the consolidated financial statements and Commissioner Hernandez seconded. **MOTION CARRIED UNANIMOUSLY**

B. Consider Approval of a Resolution Awarding a Contract to APC Construction, LLC, in the Amount of \$732,581.21, for the Second Phase of Renovations to the Warehouse at 400 Edwards Avenue in Harahan, Louisiana.

Mr. Evett presented and recommended approval of the resolution. The scope of work for this contract includes furnishing all labor, materials, and equipment for the second phase of renovations to 10,000 sq. ft. of the Board's warehouse facility located at 400 Edwards Avenue. The Board received four (4) bids and APC Construction, LLC ("APC") was the lowest responsive and responsible bidder. The contract time is one hundred (100) days and funding is allocated in the Board's Capital Investment Plan.

Commissioner Hernandez asked if the first phase of the roof replacement work was complete, whether APC has previously performed similar work for the Board, and whether APC provided information for DBE/SBE participation. Mr. Evett confirmed that the completion of the roof work was imminent, and that he was not aware of any prior Board work performed by this company. He also noted that since this contract was awarded through the public bid process, he was not yet aware of the scope of DBE/SBE participation.

Commissioner Langenstein asked if the same contractor had been chosen for the first phase, and Mr. Evett confirmed that it was not the same contractor.

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

C. Consider Approval of a Resolution Authorizing the President and Chief Executive Officer to Enter into Separate Professional Services Contracts with (1) APTIM Port Services, LLC and (2) Boos Navarre, LLC, to Provide As-Needed Container Crane Engineering Services for a Period of Three Years for an Amount Not to Exceed \$300,000 and \$500,000 Per Contract, Respectively.

Mr. Evett presented and recommended approval of the resolution. He stated that these contracts would provide as-needed professional engineering services for design and oversight of repairs, modifications and/or any other work performed on the Board's soon-to-be nine (9) ship-to-shore container cranes and two (2) rubber tire gantry cranes. Having two (2) consultants will provide staff with more flexibility when facing critical situations, especially if quick action is required. These consultants are recommended based on the quality of work that they previously performed for the Board under similar contracts. Funding for these contracts is allocated in the Board's Capital Investment Plan.

Commissioner Langenstein inquired about the duration and cost of the new contracts, as well as the expiration date of the current contracts. Mr. Evett responded that the current contracts are reaching the end of three (3) year terms, as well as the not-to-exceed amounts.

The proposed contracts would each be for a term of three (3) years. The amount of each new contract is assessed on projected needs and calculated using similar rates as with the previous contracts.

Commissioner Ponstein asked if the two (2) firms will provide the same services. Mr. Evett confirmed that, while the Board intends to use each consultant for different scopes of work, they are both qualified to provide the similar services and technical support. The dissimilarity in the two (2) proposed contract amounts is due to the difference in the volume of work that is projected to be assigned to each firm.

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

D. Briefing on the Status of Container Crane Repairs and Procurement

Mr. Evett briefed the Board on the status of the container crane procurement and damage repair initiatives. He provided an overview of the schedule for the commissioning and delivery of the Board's four (4) new container cranes, which are anticipated to arrive in May 2021. Work to install and erect the cranes will be performed onsite at the Board's wharves and should last until October 2021. Some additional modification work will be performed on the wharves after the installation of the cranes and should be completed by December 2021.

Mr. Evett also presented an update on the status of crane repairs in connection with damage sustained during the August 20, 2020 incident. The repairs to Crane No. 5 should be completed by May 2021, before delivery of the new cranes.

E. Consider Approval of a Resolution Authorizing the President and Chief Executive Officer to Enter into a Services Contract with River Healthcare, Inc., d/b/a Prime Occupational Medicine, to Provide As-Needed Body Temperature Screening Services, for a Period of One Year with Two One-Year Renewal Options, in an Amount Not to Exceed \$250,000 for the Contract Term.

Chief Hecker presented and recommended approval of the resolution. The scope of services under this contract include the as-needed body temperature screening of persons entering Board facilities, including providing all necessary equipment and personnel to perform services. Similar services were previously used during the height of the COVID-19 pandemic at the three (3) Facility Access Stations at the uptown terminal and the Board's Administration Building. Having this contract in place will facilitate a quick turn-around response should the need arise again in connection with the current pandemic or other similar situations. The Board received four (4) proposals in response to a request for proposals, and River Healthcare, Inc. d/b/a Prime Occupational Medicine ("Prime") was the highest-ranked by the evaluation committee based on the selection criteria. The contract term is for a period of one (1) year, with two (2) one-year renewal options, in an amount not to exceed \$250,000 for the full contract term.

Commissioner Langenstein noted that while the overall contract limit was \$250,000, the hourly contract rates were very reasonable for these services.

Commissioner Langenstein 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 a Contract with Inter-Con Security Systems, Inc., to Provide Security Guard Services for a Period of One Year with Two One-Year Renewal Options, for an Estimated Cost of \$475,000 Per Year.

Chief Hecker presented and recommended approval of the resolution. The scope of services under this contract included providing security guard services at the Board's three (3) Facility Access Stations at the uptown terminal, as well as the Administration Building. Security guards will staff the Felicity Street and Napoleon Avenue locations 24-hours per day, seven (7) days per week, and the Nashville Avenue location 12.5-hours per day on weekdays. A roving guard will also be onsite 40-hours per week and a guard will be stationed at the Administration Building during regular working hours. Security guards will be responsible for enforcing Maritime Transportation Security Act requirements, and shall closely inspect Transportation Worker Identification Credentials at the Facilities Access Stations. All guards must meet training standards acceptable to the United States Coast Guard.

The Board received eleven (11) proposals in response to a request for proposals, and Inter-Con Security, Inc. ("Inter-Con") was the highest-ranked by the evaluation committee, according to the selection criteria. Based on set hourly rates, the anticipated cost of this contract is \$475,000 per year and the contract term is for a period of one (1) year, with two (2) one-year renewal options. Funding is allocated in the Harbor Police Expense Budget.

Chairman Berger asked if the proposed vendor was currently providing these services to the Board. Chief Hecker confirmed that Inter-Con is not the current vendor, and the new contract would commence on December 31, 2020.

Commissioner Jensen asked if the as-needed body temperature screening services would be administered and Chief Hecker responded that it would be on an as-needed basis.

Commissioner Toomy recommended that having a Board employee perform these services at the Administration Building would be a favorable alternative from a public relations perspective. Chief Hecker responded that while the Administration Building was previously staffed by Harbor Police, it is more cost-effective to use an outside contractor for security purposes. Additionally, the security guard will work in tandem with a civilian Board employee stationed at the reception desk of the Administration Building.

Commissioner Hernandez recommended using a dedicated staff member in the reception role, in order to ensure stability and uniformity.

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

G. Consider Approval of a Resolution Authorizing the President and Chief Executive Officer to Enter into a Berthing Agreement with Viking USA, LLC, for a Term of Five Years, with Two Five-Year Renewal Options.

Mr. Gauthier presented and recommended approval of the resolution. Per the terms of the agreement, the Board's Robin Street Wharf will serve as the homeport for Viking USA, LLC ("Viking") for a guaranteed minimum of thirty (30) river cruises per calendar year. Viking will be assessed tariff rates for wharfage, dockage and all ancillary fees associated with its operation. Viking will also reimburse the Board \$20,000 annually for the cost of dredging. The initial term of the agreement is five (5) years, with two (2) five-year renewal options.

Chairman Berger and Commissioner Hernandez asked about the expected commencement date for Viking's river cruise operations. Mr. Gauthier stated that the commencement of the agreement is January 1, 2022, and the first anticipated cruise date is June 6, 2022.

Commissioner Leger inquired as to the exact location of the Robin Street Wharf, whether any additional modifications would be necessary to prepare the wharf, and what the anticipated draft is for the proposed vessel. Mr. Gauthier stated that the Robin Street Wharf is located immediately behind the Mardi Gras World facilities, and no significant wharf modifications will be required. The Board would be providing a draft of 20-ft plus the river gauge for the proposed vessel.

Commissioner Hernandez inquired as to the assignability of the Board's agreement with Mardi Gras World, to ensure continuity of business in relation to this berthing agreement. Mr. Gauthier stated that the commencement of Viking's agreement will coincide with the anticipated renewal of the Board's lease agreement with Mardi Gras World, and that the lease agreement will be transferrable, if needed.

Commissioner Langenstein inquired as to the lessor of Mardi Gras World facility. Mr. Gauthier responded that it is a three-party agreement between the Board, Mardi Gras World and Tulane. Mr. Escudier noted that the Board has a 25-foot servitude to the berth and, consequently would be able to accommodate the agreement with Viking, regardless of having an agreement with Mardi Gras World.

Mr. Gauthier also noted that the Viking vessels are being built in Louisiana.

Commissioner Ponstein inquired about parking accommodations for passengers of the river cruises. Mr. Gauthier responded that river cruises typically require minimal onsite parking, but, to the extent required, parking could be accommodated at the Board's cruise terminal parking facilities. Mr. Gauthier noted these vessels will carry only about 400 passengers, compared to larger ocean-going vessels.

Chairman Berger commended staff on the work done in connection with this agreement, and underlined the benefits a new river cruise vessel will bring to the local economy.

Commissioner Leger asked for confirmation of the agreement commencement date, and whether holding that berthing location open would negatively impact other cruise revenue opportunities. Mr. Gauthier confirmed the initial term commences January 1, 2022 and that since the proposed berthing location has not been used in some time, there will be no loss revenue in connection with reserving the location.

Commissioner Jensen asked about the status of American Cruise Line's additional river cruise vessels. Mr. Gauthier confirmed that the two (2) new vessels will berth at Thalia Street Wharf, in front of the Board's Administration Building and, since no more than two (2) ships will berth at a time, overcrowding will not become an issue.

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

IV. Report by the President and Chief Executive Officer

Ms. Christian shared an update regarding the adoption of health protocols by the Cruise Lines International Association and its cruise line members. These health protocols in the cruise industry will facilitate a gradual return to sailing operations, while keeping passengers safe. When the time comes, the Port of New Orleans will be ready to align with these strict health protocols and welcome the resumption of cruise operations.

V. Adjournment

There being no further business to come before the Board, Chairman Berger called for a motion to adjourn. Commissioner Leger so moved and Commissioner Toomy seconded. **MOTION CARRIED UNANIMOUSLY** and Chairman Berger adjourned the meeting at 2:33 p.m.