

**THE BOARD OF COMMISSIONERS OF  
THE PORT OF NEW ORLEANS  
MINUTES OF  
THE BUDGET COMMITTEE MEETING  
MONDAY, JUNE 24, 2019**

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**A MEETING OF THE BUDGET COMMITTEE OF THE BOARD OF COMMISSIONERS OF THE PORT OF NEW ORLEANS, HELD IN THE PRESENTATION ROOM ON THE FOURTH FLOOR AT ITS OFFICES LOCATED AT 1350 PORT OF NEW ORLEANS PLACE, NEW ORLEANS, LOUISIANA, WAS CALLED TO ORDER BY COMMITTEE CHAIR TARA C. HERNANDEZ AT 1:48 P.M. ON MONDAY, JUNE 24, 2019.**

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**COMMITTEE MEMBERS**

**PRESENT:**

Tara C. Hernandez, Committee Chair  
Arnold B. Baker, Member  
Darryl D. Berger, Member  
William H. Langenstein, III, Member  
Laney J. Chouest, Member

**COMMITTEE MEMBERS**

**ABSENT:**

Charles H. Ponstein, Member  
Jack C. Jensen, Jr., Member

**STAFF:**

B. Christian, President and Chief Executive Officer  
A. Fant, Vice President, Planning and Facilities  
M. Ganon, Vice President, Public Affairs  
R. Wendel, Chief Financial Officer  
B. Landry, Vice President, Commercial  
T. Carter, Director, Procurement  
A. Evett, Director, Engineering  
M. Verderame, Director, Records  
E. Pansano, Director, Internal Audit  
C. Coates, Director, Real Estate  
M. Scelson, Assistant General Counsel  
J. Ragusa, Manager, Communications  
A. Madere, Manager, Records  
M. Smith, Administrative Assistant

**GUESTS:**

M. Stolzman, NOPB  
D. Lafont, NOPB  
C. Bonura, NOPB  
J. Cleveland, ParaTech  
L. Traweek, *New Orleans City Business*

## **I. Determination of Quorum and Call to Order**

Committee Chair Hernandez determined the existence of a quorum and called the meeting to order at 1:48 p.m.

## **II. Briefing and Discussion Items:**

### **A. Recommend to the Board at its Regular Monthly Meeting the Acceptance of the Consolidated Financial Statements for May, 2019.**

Mr. Wendel distributed the May 2019 financial reports to the Board, a copy of which is made a part of these minutes. He provided an overview of the Board's and the New Orleans Public Belt Railroad Corporation's ("NOPB") expenses, revenues, and budgets on both a monthly and fiscal year-to-date basis.

Mr. Landry provided a volume report to the Committee. He stated the container business remains strong for the month. He noted the Board is 13% above budget for the year and anticipates exceeding 600,000 twenty-foot equivalent unit ("TEUs") for the fiscal year, which would be a new fiscal year record for the Board. He stated there is an increase in breakbulk.

Mr. Landry noted that cruise business remains strong for the year, with a terrific month in May for cruise passengers and parking numbers. He attributed the monthly high in business to May being the last month of the school year and there being five weekends in the month.

Mr. Landry responded to Committee Chair Hernandez's question as to whether the cruise business was anticipated to remain strong for the remainder of the summer. He noted that regular seasonal fluctuations were expected for the summer months.

Mr. Landry responded to Commissioner Hernandez's question as to whether the cruise lines are advising to cruise passengers that the Board has available parking. He noted that cruise parking was becoming more competitive, and that it was Board staff's responsibility to communicate effectively about the Board's parking facilities.

Mr. Stolzman provided an overview of business line volumes for NOPB. He noted that volumes remain steady overall. Mr. Wendel stated that Class I business grew significantly at this time last year, but it is not anticipated to grow at the same rate for the current year, resulting in lower-budget volumes for next year.

Mr. Wendel stated the Board's terminal operations revenue came in under budget with \$4 million against a budget of \$4.2 million. He attributed the difference to budget timing issues impacted by rental revenues. For the year, he anticipates rental income will remain under budget, which includes breakbulk and container business. He stated the container crane business continues to remain strong and is significantly over budget for the year by \$866,000.

Mr. Wendel stated cruise operations are below budget for the year. This drop in revenue was expected due to the seasonal absence of Royal Caribbean and Norwegian Cruise Lines. He noted real estate revenues came in at \$800,000 for the month against a budget of \$724,000. For the year, real estate revenue is \$386,000 above budget.

Mr. Wendel provide an overview of NOPB operations' revenue. He noted that May was a strong month for both local and Class I switching. Car shop revenue continues to decrease while railcar storage revenue continues to remain strong around \$150,000. Overall, the operations' revenues for NOPB came to \$2.7 million against a budget of \$2.5 million.

Mr. Wendel stated the Board's operating expenses for the year to date was \$5.8 million, which was \$139,000 below budget. He noted that all other expenses remain under budget for the month. Operating income came in \$1.7 million against a budget of \$1.8 million, which is only \$47,000 below budget for the month. Operating income remains \$900,000 above budget on a year-to-date basis. Mr. Wendel noted investment income continues to rise. He noted miscellaneous net expenses came in on budget.

Mr. Wendel stated NOPB revenue came in \$134,000 above budget for the month. He stated expenses continue to be under budget except for the liability reserves. For the month, operating loss was \$361,000. For the year, operating income was \$1.3 million versus a budget of \$1.8 million.

On a consolidated basis, Mr. Wendel stated that if revenues continue to come in as expected for the remainder of the fiscal year, the Board should finish the year with a combined \$100 million in consolidated revenues, which include the NOPB. For the year to date, operating income is at \$21 million against a budget of \$20.6 million.

Commissioner Chouest made a motion to recommend acceptance of the May, 2019 consolidated financial statements at the Regular Board meeting. Commissioner Langenstein seconded the motion. **MOTION CARRIED UNANIMOUSLY.**

**B. Recommend to the Board at its Regular Monthly Meeting a Resolution Approving the Board of Commissioners of the Port of New Orleans' Financial and Operating Plan for Fiscal Year 2020.**

Mr. Wendel presented and recommended a resolution approving the Board's Financial and Operating Plan for Fiscal Year 2020, a copy of which is made a part of these minutes. He highlighted the fiscal year budget assumptions for the Board and NOPB, including revenues, expenses, capital equipment, and the capital improvement program.

Mr. Wendel detailed the expense and revenue categories for the fiscal year 2020 plan, noting changes from fiscal year 2019. He noted planned changes involving staffing

expenses, operating revenue for cruise and real estate, as well as updates to the \$59 million in planned capital improvement projects.

Operating income for the Board is budgeted at \$21 million for fiscal year 2020. Mr. Wendel noted major expense categories for fiscal year 2020, including dredging, staffing, claims reserves, and maintenance. The Board's operating expenses are budgeted at \$65.9 million.

For NOPB, Mr. Wendel noted anticipated fiscal year 2020 changes for major revenue categories, including local and Class I switching, railcar storage, and car shop revenues. He noted major expense categories, including labor and capital expenditures.

Commissioner Baker questioned if NOPB anticipated any changes to fiscal year 2020 revenue, or business interruptions, based on the Class I railroads integrating to precision railroading. Mr. Stolzman confirmed that he anticipated very minor impacts for NOPB.

Commissioner Chouest made a motion to recommend approval of the resolution at the Regular Board meeting. Commissioner Berger seconded the motion. **MOTION CARRIED UNANIMOUSLY.**

**C. Recommend to the Board at its Regular Monthly Meeting a Resolution Declaring *The New Orleans Advocate* as the Official Journal of the Board of Commissioners of the Port of New Orleans for Fiscal Year 2020.**

Ms. Scelson presented and recommended approval of the resolution. As an independent political subdivision of the state of Louisiana, the Board is required under La. R.S. 43:171 *et seq.* to declare an official journal each fiscal year. The Board publishes various legal public notices, including minutes of Board meetings, procurement notifications, financial statements as required for publication by the Legislative Auditor, and other miscellaneous legal notices, in its official journal.

Ms. Scelson stated that *The New Orleans Advocate* is currently the only newspaper within the Board's jurisdiction that qualifies as an official journal per La. R.S. 43:171 *et seq.* The designation will be effective July 1, 2019 through June 30, 2020.

Ms. Scelson responded to Commissioner Langenstein's question as to whether any other newspaper publication qualified by advising that no other publications met the legal requirements.

Commissioner Berger made a motion to recommend approval of the resolution at the Regular Board meeting. Commissioner Chouest seconded the motion. **MOTION CARRIED UNANIMOUSLY.**

**III. Public Comment**

Committee Chair Hernandez called for any public comment, but there was none.

**IV. Adjournment**

There being no further business to come before the Committee, Committee Chair Hernandez called for a motion to adjourn. Commissioner Chouest so moved, and Commissioner Langenstein seconded. **MOTION CARRIED UNANIMOUSLY** and the meeting was adjourned at 2:32 p.m.

**THE BOARD OF COMMISSIONERS OF  
THE PORT OF NEW ORLEANS  
MINUTES OF  
THE PLANNING AND ENGINEERING COMMITTEE MEETING  
MONDAY, JUNE 24, 2019**

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**A MEETING OF THE PLANNING AND ENGINEERING COMMITTEE OF THE BOARD OF COMMISSIONERS OF THE PORT OF NEW ORLEANS, HELD IN THE PRESENTATION ROOM ON THE FOURTH FLOOR AT ITS OFFICES LOCATED AT 1350 PORT OF NEW ORLEANS PLACE, NEW ORLEANS, LOUISIANA, WAS CALLED TO ORDER BY COMMITTEE CHAIRMAN WILLIAM H. LANGENSTEIN, III, AT 2:32 P.M. ON MONDAY, JUNE 24, 2019.**

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**COMMITTEE MEMBERS**

**PRESENT:**

William H. Langenstein, III, Committee Chairman  
Arnold B. Baker, Member  
Tara C. Hernandez, Member  
Darryl D. Berger, Member  
Laney J. Chouest, Member

**COMMITTEE MEMBERS**

**ABSENT:**

Charles H. Ponstein, Member  
Jack C. Jensen, Jr., Member

**STAFF:**

B. Christian, President and Chief Executive Officer  
A. Fant, Vice President, Planning and Facilities  
M. Ganon, Vice President, Public Affairs  
B. Landry, Vice President, Commercial  
R. Wendel, Chief Financial Officer  
T. Carter, Director, Procurement  
A. Evett, Director, Engineering  
M. Verderame, Director, Records  
E. Pansano, Director, Internal Audits  
C. Coates, Director, Real Estate  
M. Scelson, Assistant General Counsel  
J. Ragusa, Manager, Communications  
A. Madere, Manager, Records  
M. Smith, Administrative Assistant

**GUESTS:**

M. Stolzman, NOPB  
D. Lafont, NOPB  
C. Bonura, NOPB  
J. Cleveland, ParaTech  
L. Traweck, *New Orleans City Business*

## **I. Determination of Quorum and Call to Order**

Committee Chairman Langenstein determined the existence of a quorum and called the meeting to order at 2:32 p.m.

## **II. Briefing and Discussion Items:**

### **A. Recommend to the Board at its Regular Monthly Meeting a Resolution Authorizing the President and Chief Executive Officer to Execute an Amendment to the Contract with Shanghai Zenhua Heavy Industries Co., Ltd., to Exercise the Board's Option to Purchase Two Additional 100-Foot Gauge Ship-to-Shore Container Handling Gantry Cranes (Nos. 12 and 13) for an Amount Not to Exceed \$23,454,817.**

Mr. Evett presented and recommended approval of the resolution. He stated that at the March Regular Board meeting, the Board awarded a contract to Shanghai Zenhua Heavy Industries Co., Ltd. ("ZPMC") for the purchase of two 100-foot gauge ship-to-shore container handling gantry cranes ("Crane Nos. 10 and 11") ("Original Contract"). This amendment would allow the Board to exercise an option to order two additional cranes ("Crane Nos. 12 and 13") under the same terms and conditions in the Original Contract, including price. Funding is supported by Louisiana House Bill HB578 90-11 ("Legislation"), which provides the Board with \$20 million in infrastructure funding to support the purchase of Crane Nos. 12 and 13. Mr. Evett stated that the amendment would be in an amount not-to-exceed \$23,454,817, which is equal to the Original Contract price. He noted that since the Board will be exercising the option early in the term of the Original Contract that the Board may be able to negotiate a more favorable purchase price. He also noted that the Board would require additional professional and inspection services for these additional cranes and that, to the extent required, Staff would bring those issues to the Board for consideration at a future date.

Mr. Evett responded to Commissioner Hernandez's question regarding the professional and inspection services needed, noting the scope of those services includes inspection in the country of origin and oversight during commissioning and installation of the cranes on site.

Mr. Evett responded to Committee Chairman Langenstein's question regarding whether the Governor has signed the Legislation. He stated the Legislation has been signed. Commissioner Langenstein questioned if staff were aware of any priority funding issues that could potentially delay the Board's receipt of the funds. Staff responded that they were not aware of any such issues.

Staff responded to Commissioner Langenstein's question regarding funding and verified that the additional \$3,454,517 has been budgeted.

Mr. Evett responded to Commissioner Baker's question regarding responses to the request for proposals for the Original Contract ("RFP") by advising that the Board

received responsive proposals from two companies. Ms. Fant stated the RFP was sent to five companies but only two submitted proposals.

Ms. Christian responded to Committee Chairman Langenstein's question regarding whether the option to purchase additional cranes was included in the Original Contract and verified that the option was included.

Ms. Fant responded to Commissioner Chouest's question as to whether the option to purchase additional cranes was included as consideration when negotiating the Original Contract price. She stated that ZPMC was aware there was the potential for the Board to purchase Crane Nos. 12 and 13 when the pricing was negotiated for Crane Nos. 10 and 11.

Ms. Fant responded to Commissioner Langenstein's question regarding whether the purchase of Crane Nos. 12 and 13 will delay delivery of Crane Nos. 10 and 11. She stated that ZPMC is still in the preliminary design phase, and since no manufacturing has begun, the order is not anticipated to be delayed.

Mr. Landry responded to Commissioner Chouest's question as to whether the barge delivering the new 100-foot gantry cranes could be repurposed to also remove the 50-foot gantry cranes. He stated that staff were exploring options to partner with the Port of Greater Baton Rouge to use the 50-foot cranes for container on barge services, or maintaining the cranes onsite for a dedicated barge berth.

Commissioner Hernandez moved to recommend approval of the resolution at the Regular Board meeting. Commissioner Chouest seconded the motion. **MOTION CARRIED UNANIMOUSLY.**

**B. Recommend to the Board at its Regular Monthly Meeting a Resolution Authorizing the President and Chief Executive Officer to Enter into a Cooperative Endeavor Agreement with the Louisiana Department of Transportation and Development and the Regional Planning Commission in Connection with the St. Claude Avenue Bridge Bike Lane Extension Project with the Board's Contribution in an Amount Not to Exceed \$900,000.**

Mr. Evett presented and recommended approval of the resolution. He stated the Louisiana Department of Transportation and Development ("DOTD") and the Regional Planning Commission for Jefferson, Orleans, Plaquemines, St. Bernard, St. Charles, St. John the Baptist, St. Tammany, and Tangipahoa Parishes of New Orleans ("RPC") are planning a project to extend the bike lanes on St. Claude Avenue, which includes the Board-owned elevated approaches up to the St. Claude Avenue Bridge (the "Bike Lane Project"). The DOTD and RPC have requested the Board's cooperation and participation in funding portions of the design and construction of the Bike Lane Project as it relates to Board-owned infrastructure. The cooperative endeavor agreement ("Agreement") would set forth the terms and conditions of the Board's participation and contribution to the Bike Lane Project.



Mr. Evett stated that the Board currently has \$600,000 in planned Capital Investment Plan projects for the St. Claude Avenue Bridge (the "Bridge"), which includes replacement of approach slabs and guard rails ("Capital Projects"). Approximately \$116,221 of design work related to the Capital Projects has already been performed by the Board's Engineering Department. An additional \$300,000 of work is proposed as part of this Agreement, and would include installation of resistance barriers, as well as modifications to warning gates on the Bridge and approaches. Mr. Evett explained that it would be best for the Board's Capital Projects to be performed simultaneously with the Bike Lane Project, and thus, staff requested that DOTD consider including the Capital Projects in the scope of the Bike Lane Project. Funds are provided in the Capital Investment Plan.

Mr. Evett responded to Commissioner Chouest's question regarding the surface of the Bridge. He confirmed the Bridge is steel grid and that the pedestrian portion is open steel lattice, while the bridge approaches are asphalt.

Mr. Evett and Ms. Fant responded to Commissioner Baker's question regarding whether the Bike Lane Project will create a dedicated bike lane on the Bridge. Mr. Evett confirmed the bike lane is shared with vehicles on the approach to the Bridge. He noted that in consideration to the heavy pedestrian and bicycle traffic on the Bridge, much of the proposed work will focus on safety improvements by upgrading gates and warning signals, installing speed reduction striping on the approaches, and upgrading all pedestrian control arms.

Mr. Evett responded to Commissioner Langenstein's question as to the total amount of the Bike Lane Project. He stated the total cost of the project is \$5,092,000, the majority of which would be funded by DOTD.

Mr. Evett responded to Commissioner Berger's question as to the amount of bicycle traffic crossing the Bridge. He stated there is significant bicycle and pedestrian traffic on the bridge.

Commissioner Berger moved to recommend approval of the resolution at the Regular Board Meeting. Commissioner Chouest seconded the motion. **MOTION CARRIED UNANIMOUSLY.**

Commissioner Berger left the meeting at 2:47 p.m.

- C. Recommend to the Board at its Regular Monthly Meeting a Resolution Authorizing the President and Chief Executive Officer to Enter into a Professional Services Contract with Volkert, Inc., to Provide Construction Management Services for the Nashville Avenue Terminal Wharf Crane Rail Extension Project for an Amount Not to Exceed \$2,500,000.**

Ms. Fant presented and recommended approval of the resolution. She stated the Crane

Rail Extension Project will provide additional 100-foot gauge crane rail to accept the new cranes. This project will be executed in five phases through separate construction contracts to accelerate the completion. She noted a construction manager is key to successfully coordinate all the various phases and contractors.

Ms. Fant stated that the Board issued a request for proposals for these professional services (“RFP”), and the Board received proposals from eleven firms. The proposals were evaluated by a committee and interviews were conducted with the three top-ranked firms. Volkert, Inc. was the highest-rated firm based on the both the evaluation criteria and interview assessments.

Ms. Fant stated the contract would be for a term of three years for an amount not to exceed \$250,000. Professional services covered in the scope of this contract include ensuring all project aspects are executed according to specifications, construction management, and coordinating with contractors and tenants as needed. She noted that the scope of work would also include mitigating change orders by reviewing plans and specifications before individual phases are put out to bid.

Funds for these services are provided in the Capital Investment Plan.

Commissioner Chouest moved to recommend approval of the resolution at the Regular Board meeting. Commissioner Hernandez seconded the motion. **MOTION CARRIED UNANIMOUSLY.**

**D. Recommend to the Board at its Regular Monthly Meeting a Resolution Authorizing the President and Chief Executive Officer to Enter into Contracts Above Designated Authorization Limits, Not Exceeding Fiscal Year Budget Totals, as Necessary for Dredging Services Beyond Board In-House Dredging Capabilities for Fiscal Year 2020.**

Ms. Fant presented and recommended approval of the resolution. She stated the Board approved a similar item last fiscal year which granted Ms. Christian the authority to execute dredging contracts above \$125,000, but still limiting the total fiscal year dredging costs to the funds allocated for such in the Fiscal Year 2020 budget. The Board currently has a contract with Maintenance Dredging I, LLC, to maintain water depth at the container terminals, which helps mitigate the Board’s potential for dredging situations that exceed in-house capabilities. However, time-sensitive situations could occur which would require additional contract dredge capabilities, especially given the current high river season.

Ms. Fant stated this contracting authorization would allow staff the flexibility to respond rapidly to changes in the river bottom. As needed, staff will approach contractors to procure dredging services in a manner that is financially and operationally advantageous to the Board.

Ms. Fant responded to Commissioner Langenstein's question as to whether the proposed approval authority is contract-specific, or in reference to a particular company. She stated that this resolution grants general authority to contract with different companies as needed.

Commissioner Hernandez moved to recommend approval of the resolution at the Regular Board meeting. Commissioner Chouest seconded the motion. **MOTION CARRIED UNANIMOUSLY.**

### **III. Public Comment**

Committee Chairman Langenstein called for public comment, but there was none.

### **IV. Adjournment**

There being no further business to come before the committee, Committee Chairman Langenstein called for a motion to adjourn. Commissioner Hernandez moved to adjourn and Commissioner Chouest seconded. **MOTION CARRIED UNANIMOUSLY** and the meeting adjourned at 2:52 p.m.

**THE BOARD OF COMMISSIONERS OF  
THE PORT OF NEW ORLEANS  
MINUTES OF  
THE REGULAR BOARD MEETING  
THURSDAY, JUNE 27, 2019**

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**A REGULAR MEETING OF THE BOARD OF COMMISSIONERS OF THE PORT OF NEW ORLEANS, HELD IN THE FIRST FLOOR AUDITORIUM AT ITS OFFICES LOCATED AT 1350 PORT OF NEW ORLEANS PLACE, NEW ORLEANS, LOUISIANA, WAS CALLED TO ORDER BY CHAIRMAN ARNOLD B. BAKER, AT 1:59 P.M. ON THURSDAY, JUNE 27, 2019.**

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**COMMISSIONERS  
PRESENT:**

Arnold B. Baker, Chairman  
Tara C. Hernandez, Vice-Chair  
Darryl D. Berger, Secretary-Treasurer  
Laney J. Chouest, Member  
William H. Langenstein, III, Member

**COMMISSIONERS  
ABSENT:**

Charles H. Ponstein, Member  
Jack C. Jensen, Member

**STAFF:**

B. Christian, President and Chief Executive Officer  
L. Colletta, Executive Counsel  
A. Fant, Vice President, Planning and Facilities  
M. Ganon, Vice President, Public Affairs  
R. Wendel, Chief Financial Officer  
T. Carter, Director, Procurement  
A. Evett, Director, Engineering  
J. Guidry, Director, Maintenance  
M. Verderame, Director, Records  
A. Pellegrin, Director, Sustainable Development  
C. Alfonso, Manager, Community Engagement  
M. Scelson, Assistant General Counsel  
Capt. M. Montroll, Harbor Police Department  
J. Schecter, Manager, Communications  
M. Smith, Administrative Assistant  
W. Stokes, Administrative Assistant  
D. Feraci, Administrative Assistant  
E. Pansano, Director, Internal Audit  
R. Aragon Dolese, Director, Marketing and Communications  
Chief R. Hecker, Harbor Police Department  
A. Coates, Commercial  
L. Blackman, Deputy Director, Tourism  
J. Mansour, Director, Commercial  
A. Madere, Manager, Records

J. Woodward, Manager, Permitting  
M. Cloos, Sustainable Development  
P. Herring, Internal Audit  
J. Swartout, Commercial  
M. Sulser, Engineering

**GUESTS:**

M. Stolzman, NOPB  
D. Lafont, NOPB  
C. Bonura, NOPB  
Capt. J. Stahl, Marine Expertise  
R. Glapion, BETA  
N. Junius, Linfield, Hunter & Junius  
T. Wells, Waldemar S. Nelson  
S. Heraty, Volkert, Inc.  
C. Young, RPC  
M. Kahn  
L. Jacks, Checkmate Systems  
H. Blackwell, BDE, LLC  
J. Keever, T. Parker Host  
D. Lambert, Mott McDonald  
P. Roberts, Empaq Group, LLC

**I. Determination of Quorum and Call to Order**

Chairman Baker determined the existence of a quorum and called the meeting to order at 1:59 p.m.

**II. General Public Comment**

Chairman Baker called for general public comment, but there was none.

**III. Approval of May, 2019 Public Meeting Minutes**

On motion duly made by Vice-Chair Hernandez and seconded by Commissioner Berger, the Board unanimously approved the minutes of its public meetings for May 2019, as previously circulated.

**IV. Acceptance of May, 2019 Consolidated Financial Statements**

Mr. Wendel provided a summary overview of the financial statements for May, 2019, a copy of which are made a part of these minutes. He noted May 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”).

Chairman Baker advised the Board that the Budget Committee had reviewed the financial statements and voted to recommend them for acceptance at this meeting. Vice-Chair Hernandez motioned to accept the financial statements and Commissioner Berger seconded. **MOTION CARRIED UNANIMOUSLY.**

**V. Actions Required:**

**A. Consider Approval of a Resolution Adopting the Board of Commissioners of the Port of New Orleans' Financial and Operating Plan for Fiscal Year 2020.**

Mr. Wendel presented and recommended a resolution approving the Board's Financial and Operating Plan for Fiscal Year 2020, a copy of which is made a part of these minutes. He highlighted the fiscal year budget assumptions including revenues, expenses, capital equipment, and the Capital Improvement Program.

Chairman Baker advised the Board that the Budget Committee had reviewed the proposed Fiscal Year 2020 budget and voted to recommend it for adoption at this meeting. Vice-Chair Hernandez motioned to approve the resolution and Commissioner Chouest seconded the motion. **MOTION CARRIED UNANIMOUSLY.**

**B. Consider Approval of a Resolution Declaring *The New Orleans Advocate* as the Official Journal of the Board of Commissioners of the Port of New Orleans for Fiscal Year 2020.**

Ms. Scelson presented and recommended approval of the resolution. As an independent political subdivision of the state of Louisiana, the Board is required under La. R.S. 43:171 *et seq.* to declare an official journal each fiscal year. The Board publishes various public notices, including minutes of Board meetings, procurement notifications, financial statements as required for publication by the Legislative Auditor, and other miscellaneous legal notices, in its official journal.

Ms. Scelson stated that Board only received one quote from a qualifying newspaper publication. She clarified that *The New Orleans Advocate* is currently the only newspaper within the Board's jurisdiction that qualifies as an official journal. The designation will be effective July 1, 2019 through June 30, 2020.

Chairman Baker advised the Board that the Budget Committee had reviewed the item and voted to recommend it for approval at this meeting. Commissioner Langenstein motioned to approve the resolution and Commissioner Chouest seconded the motion. **MOTION CARRIED UNANIMOUSLY.**

**C. Consider Approval of a Resolution Authorizing the President and Chief Executive Officer to Execute an Amendment to the Contract with Shanghai Zenhua Heavy Industries Co., Ltd., to Exercise the Board's Option to Purchase Two Additional 100-Foot Gauge Ship-to-Shore Container Handling Gantry Cranes (Nos. 12 and 13) for an Amount Not to Exceed \$23,454,817.**

Mr. Evett presented and recommended approval of the resolution. He stated that at the March Regular Board meeting, the Board awarded a contract to Shanghai Zenhua Heavy Industries Co., Ltd. (“ZPMC”) for the purchase of Crane Nos. 10 and 11 (“Original Contract”). This amendment will allow the Board to exercise its option to purchase two additional 100-foot gantry cranes (“Crane Nos. 12 and 13) under the same terms and conditions, including price, as set forth in the Original Contract.

Mr. Evett stated that this amendment would provide for a not-to-exceed cost of \$23,454,817, which is equal to the Original Contract price for Crane Nos. 10 and 11. He noted that since the Board will be exercising this option early in the term of the Original Contract, it may be able to negotiate a more favorable price. He also noted that the additional cranes would require additional professional and inspection services and that staff would bring to the Board for consideration at a future date.

Chairman Baker advised the Board that the Planning and Engineering Committee had reviewed the item and voted to recommend it for approval at this meeting. Commissioner Berger motioned to approve the resolution and Commissioner Langenstein seconded the motion. **MOTION CARRIED UNANIMOUSLY.**

**D. Consider Approval of a Resolution Authorizing the President and Chief Executive Officer to Enter into a Cooperative Endeavor Agreement with the Louisiana Department of Transportation and Development and the Regional Planning Commission in Connection with the St. Claude Avenue Bridge Bike Lane Extension Project with the Board’s Contribution in an Amount Not to Exceed \$900,000.**

Mr. Evett presented and recommended approval of the resolution. He stated the Louisiana Department of Transportation and Development (“DOTD”) and the Regional Planning Commission for Jefferson, Orleans, Plaquemines, St. Bernard, St. Charles, St. John the Baptist, St. Tammany, and Tangipahoa Parishes of New Orleans (“RPC”) are planning to extend the bike lanes on St. Claude Avenue, which includes the Board-owned elevated approaches to the St. Claude Avenue Bridge (the “Bike Lane Project”). This cooperative endeavor agreement (“Agreement”) would set forth the terms and conditions of the Board’s participation and contribution to the Bike Lane Project.

Mr. Evett stated that the Board currently has \$600,000 in planned Capital Investment Plan projects for the St. Claude Avenue Bridge, which includes replacement of approach slabs and guard rails (“Capital Projects”). An additional \$300,000 of work is proposed as part of this Agreement, and would include installation of resistance barriers, as well as modifications to warning gates on the bridge and approaches. Since the Board’s Capital Projects would be best performed simultaneously with the Bike Lane Project, staff requested that DOTD consider including the Capital Projects in the scope of the Bike Lane Project. Funds are provided for in the Capital Investment Plan.

Mr. Evett responded to Chairman Baker's question, clarifying that the Board's proposed \$900,000 commitment to the Bike Lane Project encompassed more than adding a bike lane.

Chairman Baker advised the Board that the Planning and Engineering Committee had reviewed the item and voted to recommend it for approval at this meeting. Commissioner Chouest motioned to approve the resolution and Vice-Chair Hernandez seconded the motion. Commissioner Langenstein abstained. **MOTION PASSED.**

**E. Consider Approval of a Resolution Authorizing the President and Chief Executive Officer to Enter into a Professional Services Contract with Volkert, Inc., to Provide Construction Management Services for the Nashville Avenue Terminal Wharf Crane Rail Extension Project for an Amount Not to Exceed \$2,500,000.**

Ms. Fant presented and recommended approval of the resolution. She explained that the Crane Rail Extension Project will be executed in five phases through separate construction contracts to accelerate the project's completion. She noted a construction manager is key to successfully coordinating the various phases of the project. The Board issued a request for proposals for these professional services ("RFP") and received proposals from eleven consultants. The proposals were evaluated by a committee and interviews were conducted with the three top-ranked firms. Volkert, Inc., is recommended by staff as the highest-rated firm based on the evaluation criteria and interview assessments.

Ms. Fant stated the term of the contract would be three years and for an amount not to exceed \$250,000. Professional services covered in the scope of this contract include ensuring all projects are executed according to specifications, overseeing construction management for each of the phases, and coordinating with contractors and tenants as needed. She noted that the scope of work would also include mitigating change orders by reviewing plans and specifications before the individual phases were put out to bid. Funds for these services are provided for in the Capital Investment Plan.

Chairman Baker advised the Board that the Planning and Engineering Committee had reviewed the item and voted to recommend it for approval at this meeting. Vice-Chair Hernandez motioned to approve the resolution and Commissioner Chouest seconded the motion. **MOTION CARRIED UNANIMOUSLY.**

**F. Consider Approval of a Resolution Authorizing the President and Chief Executive Officer to Enter into Contracts Above Designated Authorization Limits, Not Exceeding Fiscal Year Budget Totals, as Necessary for Dredging Services Beyond Board In-House Dredging Capabilities for Fiscal Year 2020.**

Mr. Guidry presented and recommended approval of the resolution. He stated the Board approved a similar item last fiscal year which granted the President and Chief Executive Officer the authority to execute dredging contracts above \$125,000, but still limiting the total dredging expenses for the fiscal year to the amount allocated for



dredging in the Fiscal Year 2020 budget. The Board currently has a contract with Maintenance Dredging I, LLC, to maintain water depth at the container terminals, which helps mitigate the Board's potential for dredging situations that exceed in-house capabilities. However, time-sensitive situations could occur which would require additional contract dredge capabilities, especially given the high river season. Mr. Guidry noted that as needed, staff will approach contractors to procure dredging services in a manner that is financially and operationally advantageous to the Board.

Commissioner Langenstein noted that per discussion in the Planning and Engineering Committee meeting, dredging contracts issued under this authority will be executed on an as-needed basis.

Chairman Baker advised the Board that the Planning and Engineering Committee had reviewed the item and voted to recommend it for approval at this meeting. Commissioner Langenstein motioned to approve the resolution and Vice-Chair Hernandez seconded the motion. **MOTION CARRIED UNANIMOUSLY.**

#### **VI. Commissioners' Comments**

Chairman Baker called for Commissioners' comment, but there were none.

#### **VII. Report by the President and Chief Executive Officer**

Ms. Christian acknowledged several members of the Harbor Police Department for their professional excellence in receiving Letters of Commendation, including Lt. Kirk Braud, Lt. Antoine Ferbos, Cpl. Kendal Turner, Cpl. Chris Clark, Police Officer Travis Causey, Police Officer Mickael Savoie.

Ms. Christian recognized the Public Affairs team for receiving ten awards from the American Association of Port Authorities ("AAPA") as part of the trade association's annual Communications Awards Program, which honors member seaports for exemplary communications projects and programs.

Ms. Christian acknowledge the Board's Chief of Staff, Michelle Gannon, for testifying this week in front of U.S. Trade Representative Mr. Robert Lighthizer in support of exempting the additional cranes, which will be delivered from China, from the administration's latest round of tariffs. The new cranes ordered this year will be the first for new cranes purchased by the Board in eight years.

#### **VIII. Adjournment**

There being no further business to come before the Board, Chairman Baker called for a motion to adjourn. Vice-Chair Hernandez motioned, and Commissioner Chouest seconded. **MOTION CARRIED UNANIMOUSLY** and Chairman Baker adjourned the meeting at 2:22 p.m.