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CADDO-BOSSIER PARISHES PORT COMMISSION
Special Board Meeting
Regional Commerce Center, Steering Room
6000 Doug Attaway Blvd., Shreveport, LA 71115
November 8, 2021, 3:30 p.m.

President Roy Griggs called the meeting to order at approximately 3:30 p.m. in the Steering Room of the Regional Commerce Center, 6000 Doug Attaway Blvd., Shreveport, LA. He asked that everyone keep Ms. Hettie in their prayers as she recovers.

Commissioner Griggs led the Pledge of Allegiance.

The roll was called by Mr. Eric England. Commissioners: Roy Griggs, William "Bill" R. Altimus, Erica R. Bryant, Sam N. Gregorio, James D. Hall, and Capt. Thomas F. Murphy (Ret.) were present. Walter O. Bigby, Jr. joined the meeting after the roll was called. Absent: Rick C. Prescott and Joshua K. Williams. A quorum was present.

Introduction of guests: Lt. Richard Jennings, CPSO; Staff: Eric England, Dannye Malone, Gloria Washington, Tyler Comeaux, and Amanda Bailey.

Commissioner Griggs asked if there are any public comments on agenda items. Hearing none, he called for the first item on the agenda.

2021 AMENDED CAPITAL OPERATIONS BUDGET: Mr. England began by introducing Amanda Bailey to the Board, who will be filling in for Hettie Agee during her leave of absence. Gloria Washington, Director of Human Resources, gave a brief update on Ms. Agee's recovery.

Mr. Eric England provided the following comments: As an overview, the Port operates under two budgets annually, the General Fund Budget and the Capital Operations Budget. The Capital Operations Budget includes the capital projects and the debt service in terms of the expenses, property tax and other revenues from various funding sources. There are several projects that require an amendment for the 2021 calendar year. The first page included in the Board packet is the Capital Operations Budget with three columns that include: 2021 Budget; 2021 Amended Budget, and the 2022 Proposed Budget.

Beginning with the proposed 2021 amendments in the Capital Operations Budget, we will start with the revenues. The Red River Waterway Commission project has been reduced due to the project not moving forward as planned. The same goes for the DOTD project that included an expansion that is not moving forward until 2022. The next line item is the Bond Issue for the water lines to Robson Farms and Scopini Island. This project is being passed to the City of Shreveport in compliance with the current Cooperative Endeavor Agreement. It is a multi-year project that is ongoing. The same explanation goes for the fourth line item called Bond Issue for the 100,000 square foot warehouse on Doug Attaway Blvd. The property tax was increased due to the estimates received from the Bossier Parish Tax Assessor and the Caddo Parish Tax

"This institution is an equal opportunity provider and employer."

MEMBERS: Roy Griggs, President; Walter O. Bigby Jr., Vice President; Bill Altimus, Secretary Treasurer;
Erica R. Bryant; Sam N. Gregorio; James D. Hall; Capt. Thomas F. Murphy; Rick C. Prescott; Joshua K. Williams

Assessor. The water and sewer revenue was also increased due to the additional water lines added to recent property and the debt service owed for including those lines to the system.

Moving on to the proposed 2021 amended expenditures for the Capital Operations Budget. As we worked with the Auditors, one of the items noted was that the “lion’s share” of the insurance expenditures is attributable to the Capital Operations infrastructure and assets. Therefore, it is better reflected as a Capital Operations expense as opposed to the General Fund expense. Under Specific Project Costs, the Robson Farms Water Line amount was decreased due to the work being completed. The carryover was less than what was anticipated. The Bossier Water & Sewer line amount decreased due to engineering costs for the geotechnical testing towards the final plans for the project. The 100,000 square foot warehouse project was increased as it is still an ongoing project. The Slack Water Harbor Hardstand project is still ongoing. Continuing to the NE Gravel Yard for Truck Parking, this item was an idea for one of the Port’s customers, but as it turned out, the customer had ample room at its leased premises. Therefore, the construction of a new parking lot was not necessary. The next item to discuss is the I-69 Service Road. The Port is continuing its commitment of \$2.25 million according to the Cooperative Endeavor Agreement with the State of Louisiana, but that amount will be spread out over the next several years, so the full amount was not needed for the 2021 budget year. Moving on to the Ronpak warehouse expansion, this project has a hold put on it as a result of Covid’s effect on the market. Ronpak is in the process of purchasing the assets of one of its major competitors, along with its manufacturing facility, therefore Ronpak will be adding a location and delaying its expansion. The General Cargo Dock Hardstands project is one the Port did not plan for in 2021, so it will begin in 2022. There are some engineering costs associated with it and the line item increased in 2021. These funds will be fully reimbursed by the Red River Waterway Commission according to the CEA for that project. The line item called Site Optimization pertains to the airstrip tract included on the Sorensen property which housed a crop-dusting operation. The property has various herbicides and pesticides that requires remediation, which the Port was aware of when it executed the Option Agreements.

Motion by Commissioner Gregorio, seconded by Commissioner Hall, to approve the 2021 Amended Capital Operations Budget, as submitted, for public review and final adoption at the December meeting, if there are no corrections or additions. Hearing no questions or comments, the motion was approved by the following votes: AYES: Commissioners: Roy Griggs, Walter O. Bigby, Jr., William R. “Bill” Altimus, Erica R. Bryant, Sam N. Gregorio, James D. Hall, and Capt. Thomas F. Murphy (Ret.). NAYS: 0. ABSENT: Rick C. Prescott and Joshua K. Williams. ABSTENTIONS: 0.

2022 GENERAL FUND BUDGET: The General Fund budget covers the day-to-day operations of the Port. The 2021 revenues were exceeded, and the expenditures were less than anticipated, therefore the General Fund budget did not require an amendment for 2021. Beginning with the proposed 2022 revenues, the increase in the agricultural lease rentals line item is a direct result of the property acquired this year. That includes the Robson Farms, Leonard Road Farms, Sorenson, and MFE properties, which all have current agricultural leases with varying prices per lease. The next line item is the industrial and land lease rentals which have been increased for 2022 due to the near completion of the 100,000 square foot warehouse project, and will be placed in commerce as soon as it is completed. There is already a tenant in place for it. The mineral lease line item will also increase due to the uptick in royalty payments based on the price of natural gas. Overall, we are showing a projected 19% increase in revenues for 2022.

Rolling on to the proposed 2022 General Fund expenditures, the salaries are reflective of a total increase of 8%. Figures taken from the Bureau of Labor Statistics, the consumer price index year-to-date shows a 5.4% CPI through the month of August and it is projected to increase

to 6% by the end of the year. Using that as a guide, it is recommended for a 6% cost of living increase and a 2% merit, for a total of 8% salary increase for staff. Employee benefits are based on salary, so they increased slightly with the proposed salary increase. A minor increase in line item, dues/fees/subscriptions/memberships, was as a result of covid, several organizations have had minor increases in fees to offset the previous downturn in the last two years. Office Equipment reflects an increase for 2022 for the purchase of new computers for administration and operations staff, which is overdue. Based on our meetings with the sales representatives for CenterPoint Energy and SWEPCO, utilities are projected to significantly increase with the rising price of natural gas. These representatives are telling us to project a 50% increase that could go upwards of 100%, so the utility line item will be closely watched for 2022 in the event an amendment needs to be made. As to office maintenance, in the past two years, there are several maintenance items at the RCC that were discontinued, like power-washing the exterior of the building. This line item has been increased in order to get back on a regular schedule for building maintenance. The insurance line item is significantly decreasing due to moving it over to the Capital Operations Budget. Most of the insurance the Port carries is attributable to capital projects, and not general operations. The auditors suggested the Port make this change to the budget. On this note, some legal fees have also been moved to the Capital Operations Budget, since those fees are also associated with capital projects.

Motion by Commissioner Altimus, seconded by Commissioner Gregorio, to approve the 2022 General Fund Budget, as submitted, for public review and final adoption at the December meeting, if there are no corrections or additions. Hearing no questions or comments, the motion was approved by the following votes: AYES: Commissioners: Roy Griggs, Walter O. Bigby, Jr., William R. “Bill” Altimus, Erica R. Bryant, Sam N. Gregorio, James D. Hall, and Capt. Thomas F. Murphy (Ret.). NAYS: 0. ABSENT: Rick C. Prescott and Joshua K. Williams. ABSTENTIONS: 0.

2022 CAPITAL OPERATIONS BUDGET: Beginning with the revenues, the first item is the Red River Waterway Commission, who is funding several projects associated with the General Cargo Dock. The Bond Issue line item is referring to funding that is leftover from a previous bond issue for a water line. Our proposed project is to install a water line to Scopini Island in Bossier Parish to provide an industrial water line for the 43-acre tract of land for Performance Proppants. Once the 100,000 square foot warehouse project is completed, there are design plans ready to move on a 40,000 square foot warehouse, which will require immediate bidding, so the bond issue for that funding is already in place. The Bossier water/sewer line project is also included in the revenues for 2022. This number may change due to the engineer’s recommendation for a larger width of line, which is based on the water needs for the area. The Ronpak expansion project that may be put on hold was discussed earlier.

Continuing on to expenditures, the various professional services are not changing. The insurance expense was previously discussed. The 8.095M Limited Tax Revenue Bond has its first payment due in 2022, so it has been added to the budget. Alternatively, the 10.8M Utility Revenue Refunding Bond drops off the budget as it was a defeased amount that has been covered. It will now be covered by one of the other revenue refunding bonds. Going down to the Specific Project Costs, the Robson Farms water line is complete, so that line item is not needed for 2022. The Bossier water/sewer line was previously discussed on the revenue side. The Portable Fabric Warehouse project will be 100% funded by the Red River Waterway Commission in accordance with the Cooperative Endeavor Agreement. The same is true for the Slack Water Harbor Hardstand Project. As you know, we are responsible for the roads located in the Port, so there is a line item for Road Shoulder Repair. The Ronpak expansion project has been discussed as well as the General Cargo Dock Hardstand Project with the Red River Waterway Commission. The Site Optimization is the project dealing with the remediation of the soil located at the airstrip

site on the Sorenson property. And looking at the large tract of land on the west side of Highway 1, the proposed projects will start with the initial phases of the railroad infrastructure into the property. The budgeted amounts are based on the initial estimates done by the engineers. The Red River Feasibility Study is a group project with several other entities to explore the extension of the navigation channel from its current terminus at the I-220 bridge into southwest Arkansas. The Tensas Delta Tract Development is associated with our project with Bia, and this number may need to be increased for additional piping to the dock.

Motion by Commissioner Hall, seconded by Commissioner Gregorio, to approve the 2022 Capital Operations Budget, as submitted, for public review and final adoption at the December meeting, if there are no corrections or additions. Hearing no questions or comments, the motion was approved by the following votes: AYES: Commissioners: Roy Griggs, Walter O. Bigby, Jr., William R. “Bill” Altimus, Erica R. Bryant, Sam N. Gregorio, James D. Hall, and Capt. Thomas F. Murphy (Ret.). NAYS: 0. ABSENT: Rick C. Prescott and Joshua K. Williams. ABSTENTIONS: 0.

Hearing no other comments or questions to come from the Board, Commissioner Griggs adjourned the meeting at approximately 4:15 p.m.

Respectfully submitted,
/s/ William “Bill” Altimus
William “Bill” Altimus
Secretary-Treasurer

UPCOMING MEETINGS:

Special Board Meeting in accordance with La. R.S. 34:3159 (B)(2)

Monday, December 13, 2021, 3:45 p.m.

Regional Commerce Center, 2nd Floor Steering Room, 6000 Doug Attaway Blvd.
Shreveport, Louisiana 71115

**NOTICE OF PUBLIC HEARING: Amended 2021 Capital Operations Budget
and 2022 General Fund & Capital Operations Budgets**

Monday, December 13, 2021, 4:30 p.m.

Regional Commerce Center, 2nd Floor Steering Room, 6000 Doug Attaway Blvd.
Shreveport, Louisiana 71115

Regular Board Meeting, Monday, December 13, 2021, 4:30 p.m.

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