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CADDO-BOSSIER PARISHES PORT COMMISSION
Special Board Meeting
Regional Commerce Center, 3rd Floor Board Room
6000 Doug Attaway Blvd., Shreveport, LA 71115
November 14, 2022 at 3:30 p.m.

- 1. CALL TO ORDER / OPENING REMARKS:** Commission President Walter O. Bigby, Jr. called the meeting to order at approximately 3:33 p.m. in the 3rd Floor Board Room of the Regional Commerce Center, 6000 Doug Attaway Blvd., Shreveport, Louisiana and welcomed everyone.
- 2. PLEDGE OF ALLEGIANCE:** Vice President William “Bill” R. Altimus led the Pledge of Allegiance.
- 3. ROLL CALL:** The roll was called by Executive Port Director Eric England. Commissioners in attendance included: Walter O. Bigby, Jr., William “Bill” R. Altimus, Roy Griggs, James D. Hall, and Capt. Thomas F. Murphy (Ret.). Absent: Joshua K. Williams, Erica R. Bryant, Sam N. Gregorio, and Rick C. Prescott. A quorum was present.
- 4. PUBLIC COMMENT ON AGENDA ITEMS:** Commissioner Bigby asked for any public comments on agenda items. Hearing no public comments, Commissioner Bigby moved on to the next agenda item.
- 5. 2023 GENERAL FUND BUDGET:** Mr. England began by stating the Port’s fiscal year is the calendar year, so this is the time of the year to prepare the budget for the upcoming year. At this meeting, the budgets will be reviewed and feedback from the Commissioners will be obtained in order to put the final 2023 budgets on the Agenda for the December meeting for adoption. A budget message will be prepared to be distributed to the Parish of Caddo and the Bossier Parish Police Jury for public viewing. It will also be displayed at the Port offices for public review in accordance with the Louisiana Local Governments Budget Act. The Louisiana Local Governments Budget Act also has a provision to amend the current year’s budget. With the 2022 expenses in check and the 2022 revenues up, there is no need to amend the 2022 budgets, so this meeting will focus on the upcoming 2023 budgets.

Beginning with the 2023 General Fund Budget revenues, the agricultural lease rentals pertain to the large tracts of land that are undeveloped. Leasing agriculturally keeps the sites dressed and looking their best for potential prospects. Typically, there are provisions in the agricultural leases to allow for termination if an industry wishes to lease it. Moving on to industrial land lease rentals, there are approximately 32 items that generate income in this line item. There is a projected slight increase for these revenues due to several new tenants, including Sunny Point Aggregates/Performance Proppants. The mineral leases line item takes the year-to-date actual amount which is then annualized as a projection for the next year. This reflects a “doubling” of what was projected for this year. The commodity operating revenue shows a significant increase due to the lease with Sunny Point Aggregates which allows for throughput fees on a sliding scale. This item also includes the rail and truck throughput fees. The interest income is

“This institution is an equal opportunity provider and employer.”

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

the small amount of revenue generated from the cash kept on hand to run the Port. As you know, from a previously adopted ordinance, the excess revenues are deposited into the reserve funds and invested with our investment advisor. These are the bonds that we hold to maximize our yield. The miscellaneous income significantly increased due to the fees collected on the conduit bond issues. That brings us to a total of approximately \$9.5 million or a 35% increase in revenues for 2023.

Moving on to expenditures, the salaries include a 10% increase for employees which breaks down to an 8.2% cost-of-living and a 1.8% merit. The cost-of-living increase is based off the Bureau of Labor and Statistics Consumer Price Index projection for 2023. Payroll taxes, FICA, and state unemployment are functions of that salary number. Commissioner Griggs asked why the employee benefits and state unemployment line items decreased. Mr. England deferred to the Director of Finance, Gloria Washington, who stated the Port has two less employees, one who retired and another who left for another position. Mr. England moved on to dues/fees/subscriptions, office supplies, office equipment, postage, and telephone expenses, all of which had marginal differences. The utilities were decreased because last year the projection was for a large increase, which was not as sharp of an increase as predicted. The utilities amount was brought back down to account for a more realistic figure. The office maintenance was decreased because there are not any large projects that need to be addressed. The insurance slightly increased since it typically goes up annually. Marketing and travel expenses were decreased because we were not reaching the projected figures from previous years, so they were scaled back. Professional services – Legal was increased due to a number of ongoing matters involving a 4,000-acre complex with 17 plus industrial tenants. The stevedoring expenses were increased to accommodate rising fuel costs. Operations has a number of heavy machines to handle the different types of commodity and the money required to purchase fuel has quadrupled. The total expenditures of \$5.3 million is a 2.2% increase for 2023. Mr. England entertained questions concerning the 2023 General Fund Budget; there were none.

Motion by Commissioner Hall, seconded by Commissioner Griggs, to approve recommendation of the 2023 General Fund Budget for approval as presented. Hearing no questions or comments, the motion was approved by the following votes: AYES: Commissioners: Walter O. Bigby, Jr., William “Bill” R. Altimus, Roy Griggs, James D. Hall, and Capt. Thomas F. Murphy (Ret.). NAYS: 0. ABSENT: Joshua K. Williams, Erica R. Bryant, Sam N. Gregorio, and Rick C. Prescott. ABSTENTIONS: 0.

6. 2023 CAPITAL OPERATIONS BUDGET: Mr. England stated Capital Operations is where we primarily build the assets of the Port complex, any expansions with land purchases, and the debt service. Beginning with the revenues, the Red River Waterway Commission partners with the Port with funding for various projects, including the port priority projects. This amount is based on what the Waterway Commission has already awarded us and what we know we’ll ask from them in 2023. The projects with the Waterway Commission traditionally focus on barges and barge traffic related projects. The next three line items are with DOTD, and these are the port priority projects. Phase II of the 50k warehouse project will be completed in 2022, so that amount was not carried to 2023. The 40k warehouse project has been awarded by port priority but it will be reimbursed in subsequent years once it is completed. Bonds will be issued for this funding to counter the expenses in 2023. The first bond issue is the remnants of the original redundant water line project. The second line item bond issue relates to the 100k square foot warehouse and funding the rail to it. The rail was intentionally not included in the original project for the construction of the warehouse. The inclusion of rail would complicate the project with the additional coordination of the rail and the construction of the massive warehouse. The next line item for bond issue – land purchases was not carried over to 2023. We project to either pull the money from capital reserves or issue a bond with the Commission’s approval. The next two bond

issue items are for the 40k warehouse and the Bossier Water and Sewer Line projects that were recent resolutions approved by the Commission. On the agenda later today for the Regular Board meeting, we have a proposed resolution to combine these two into one bond in order to save time, but they are listed separately here to include the funds in the total. The bond issue for Ronpak was zeroed out. Ronpak purchased an existing bagging company in another location and have decided not to expand at their Port location. The property taxes are holding at their current amount. The safety tariff is the money collected from the tenants to offset the operating expenses of Fire Station No. 20. The I-69 MEGA Grant is the money allocated for the I-69 project application. The Port is collecting the money from our local governmental entity partners, so we have to show it coming in as revenue. Finally, the transfer from capital is when money is moved from our savings to fund capital projects.

Moving on to expenditures, the next ten line items are the debt service payments. These remain on a fixed amortization schedule with no variable rates. The fire station operations increased based on the federal cost-of-living estimate. The port complex capital maintenance expense involves replacing some equipment used by the operations team. This includes the duty trucks, a stevedoring coil grab, a farm tractor, a bushhog, a small rescue boat, and various other things that need replacement. The Hwy 1 ground maintenance expense is a new line item and deals with partnering with DOTD to help with landscaping of Hwy 1 from increased traffic to the complex. The details of this are still being worked out, but the item needed to be included in the budget. The amount for land purchases are being held as the same from last years budget. At this time, we have a few leads on tracts of land adjacent to Port property that are potential purchase options. Moving on to “specific project costs”, the Bossier Water-Sewer Line project will be underway next year. It began as a collaborative effort with the Commission as an alternative water source for the port complex. The sewer line has been added to the project due to the significant mobilization fee for boring the Red River. The Corps of Engineers requires any pipelines to go under the river must be done at an incredible depth and width. It is more conducive to pay the mobilization fee once and run the water line and the sewer line simultaneously. Moving to the 40k square foot warehouse project, this project budget has been increased and the design is complete and paid for. The difference of \$12M will be a proposed bond and the total cost has to be reflected in the budget. The line item for Slack Water Harbor Dock improvements is for paving the hardstands in and around the dock. Next, the I-69 Service Road Project agreement has been signed by all partnering parties and bids can be sought for the rights-of-way and design, so that amount has been included. The General Cargo Dock Hardstand project is already underway and this line item includes the remaining funds for 2023. The line item for site optimization is the remediation of the airstrip that was included in a land purchase. The UP Rail Switch to West Port Properties is the start of bringing rail to the port’s 2,000-acres on the west side of Highway 1. The Port Water/Sewer infrastructure upgrades is projected on residual money from the redundant water line project and will be used for any water and sewer needs around the Port complex. The 4000 Doug Attaway Rail Service Line is for bringing rail to the newly constructed 100k sq ft warehouse. The Demolition of Silo Pads at Intermodal is a site behind the old AT&T building. The previous tenant had several large silos there which were auctioned off and removed. The concrete pads still remain and must be broken up and removed in order to accommodate the new tenant that is currently working out the details of its lease. The last line item is working in collaboration with Chief Reese with the Shreveport Fire Department for a new fire truck for Fire Station No. 20.

Motion by Commissioner Hall, seconded by Commissioner Altimus to approve recommendation of the 2023 Capital Operations Budget for approval as submitted. Hearing no questions, the motion was approved by the following votes: AYES: Commissioners: Walter O. Bigby, Jr., William “Bill” R. Altimus, Roy Griggs, James D. Hall, and Capt. Thomas F. Murphy

(Ret.). NAYS: 0. ABSENT: Joshua K. Williams, Erica R. Bryant, Sam N. Gregorio, and Rick C. Prescott. ABSTENTIONS: 0.

7. **ADJOURN:** Hearing no other comments or questions to come from the Board, Commissioner Bigby adjourned the meeting at approximately 4:06 p.m.

Respectfully submitted,

/s/ Joshua K. Williams

Joshua K. Williams
Secretary-Treasurer