

**THE BOARD OF DIRECTORS OF
THE NEW ORLEANS PUBLIC BELT RAILROAD CORPORATION
MINUTES OF THE DIRECTORS' MEETING
THURSDAY, JUNE 25, 2020**

**A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE NEW ORLEANS
PUBLIC BELT RAILROAD CORPORATION, PROPERLY NOTICED AND
AUTHORIZED IN ACCORDANCE WITH SECTION 4 OF PROCLAMATION 30 JBE
2020 AND SECTION 2(C) OF PROCLAMATION 75 JBE 2020, CONVENED REMOTELY
VIA ZOOM VIDEOCONFERENCE AT 3:11 P.M. ON THURSDAY, JUNE 25, 2020.**

DIRECTORS

PRESENT:

Tara C. Hernandez, Chair
Darryl D. Berger, Vice-Chairman
William H. Langenstein, III, Secretary-Treasurer
Arnold B. Baker, Member
Charles H. Ponstein, Member
Joseph F. Toomy, Member

STAFF:

B. Christian, Chief Executive Officer
M. Stolzman, General Manager
T. Haver, Vice President, Industrial Development
C. Kocur, Vice President, Engineering
J. Oldham, Vice President, Transportation
C. Bonura, Industrial Development Manager
J. Escudier, Executive Counsel
M. Scelson, General Counsel
G. Palermo, Assistant General Counsel

GUESTS:

M. Ganon, Port of New Orleans
A. Fant, Port of New Orleans
B. Landry, Port of New Orleans
R. Wendel, Port of New Orleans
A. Evett, Port of New Orleans
C. Coats, Port of New Orleans
R. Aragon Dolese, Port of New Orleans
J. Guidry, Port of New Orleans
M. Verderame, Port of New Orleans
E. Pansano, Port of New Orleans
T. Carter, Port of New Orleans
J. Crist, Port of New Orleans
R. Bylsma, Port of New Orleans
A. Madere, Port of New Orleans
L. Cooley, Port of New Orleans
M. Gresham, Port of New Orleans
D. Cordell, Port of New Orleans
L. Sawatsky, Port of New Orleans
P. Beard, Port of New Orleans

J. Mansour, Port of New Orleans
J. Gommel, Port of New Orleans
T. Smith, Port of New Orleans
H. Horan, Port of New Orleans
M. Singley, Port of New Orleans
Chief R. Hecker, Harbor Police Chief
Capt. M. Montroll, Harbor Police Captain
L. Traweek, *New Orleans City Business*
K. Price
B. Adams
J. Ming
H. Scarpinato
T. Dundas
W. Wachel
A. Aime-Marcelin
J. Keever
T. Wells
A. Flores
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I. Roll Call & Determination of Quorum

Following a roll call of Board members, Chair Hernandez confirmed a quorum and called the meeting to order at 3:11 p.m.

II. Acceptance of Meeting Minutes for May, April, March, and January 2020

Chair Hernandez called for a motion to approve the public meeting minutes for January, March, April and May, as previously circulated.

Director Ponstein moved to approve the minutes and Director Langenstein seconded.
MOTION CARRIED UNANIMOUSLY.

III. Action Items:

A. Consider Approval of a Resolution Adopting the Board of Directors of the New Orleans Public Belt Railroad Corporation's Financial and Operating Plan for Fiscal Year 2021.

Mr. Wendel presented and recommended approval of a resolution adopting the Financial and Operating Plan for Fiscal Year 2021, which is presented on a consolidated basis with the fiscal year budget for the Board of Commissioners of the Port of New Orleans ("Port"), a copy of which is made a part of these minutes. He provided an overview of the NOPB's major budget categories including forecasts for operating revenue, expenses, capital investments, and capital equipment.

Director Langenstein moved to approve the resolution and Director Baker seconded. **MOTION CARRIED UNANIMOUSLY**

- B. Consider Approval of a Resolution Authorizing the Chief Executive Officer to Enter into One or More Supplements to the Revenue Pledge, Security Agreement, Pledge, and Covenant Agreement Dated March 1, 2018, in Connection with the Port's Upcoming \$80 Million Indenture to Pledge the Revenues, Accounts Receivable and Lease Rentals of the Corporation to Secure Outstanding and Future Bonds.**

Mr. Wendel presented and recommended approval of the resolution. He provided an overview of the proposed bond indentures, noting that approval is being requested in connection with the upcoming bond indentures actions being taken by the Port.

Director Toomy moved to approve the resolution and Director Baker seconded. **MOTION CARRIED UNANIMOUSLY**

- C. Consider Approval of a Resolution Awarding a Contract to Pontchartrain Materials Corporation, L.L.C., for the As-Needed Purchase and Delivery of No. 4 and No. 5 Granite Ballast, for a Period of One Year with Two One-Year Renewal Options, in an Amount Not to Exceed \$600,000 for the Contract Term.**

Mr. Kocur presented and recommended approval of the resolution. The scope of this contract includes the as-needed purchase and delivery of No. 4 and No. 5 granite ballast for use in maintaining proper track drainage, profile, and alignment of the mainline track. Two (2) bids were submitted in response to an invitation to bid, and Pontchartrain Materials Corporation L.L.C. was the lowest responsive and responsible bidder. The contract term is for a period one (1) year, with two (2) one-year renewal options, and the contract value is not to exceed \$600,000 for the full contract term. Funds for this contract are allocated in NOPB's Operating Budget.

Director Toomy moved to approve the resolution and Director Baker seconded. **MOTION CARRIED UNANIMOUSLY**

- D. Consider Approval of a Resolution Awarding a Contract to Pontchartrain Materials Corporation, L.L.C., for the As-Needed Purchase and Delivery of No. 4 and No. 5 Limestone Ballast, for a Period of One Year with Two One-Year Renewal Options, in an Amount Not to Exceed \$1,530,000 for the Contract Term.**

Mr. Kocur presented and recommended approval of the resolution. The scope of this contract includes the as-needed purchase and delivery of No. 4 and No. 5 limestone ballast for use in maintaining yards and sidings for proper drainage, profile, and alignment. These materials will also be used in various upcoming storage yard expansion and construction projects. Two (2) bids were submitted in response to an invitation to bid, and Pontchartrain Materials Corporation, L.L.C. was the lowest responsive and responsible bidder. The contract term is for a period of one (1) year, with two (2) one-year renewal options, and

the contract value is not to exceed \$1,530,000 for the full contract term. Funds for this contract are allocated in NOPB's Operating and Capital Budgets.

Chair Hernandez asked if the need for different materials was based on the location the materials were being used. Mr. Kocur confirmed that the limestone ballast was used in maintaining different locations than the granite ballast.

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

E. Consider Approval of a Resolution Awarding a Contract to Pontchartrain Materials Corporation, L.L.C., for the As-Needed Purchase and Delivery of Crushed Concrete, for a Period of One Year with Two One-Year Renewal Options, in an Amount Not to Exceed \$1,410,000 for the Contract Term.

Mr. Kocur presented and recommended approval of the resolution. The scope of this contract includes the as-needed purchase and delivery of crushed concrete for use in maintaining service roads and serving as sub-ballast for storage yard expansion projects. Two (2) bids were submitted in response to an invitation to bid, and Pontchartrain Materials, Corporation, L.L.C. was the lowest responsible and responsible bidder. The contract term is for a period of one (1) year with two (2) one-year renewal options, and the contract value is not to exceed \$1,410,000 for the full contract term. Funds for this contract are allocated in NOPB's Operating and Capital budgets.

Director Toomy moved to approve the resolution and Director Baker seconded. **MOTION CARRIED UNANIMOUSLY**

F. Consider Approval of a Resolution Declaring *The New Orleans Advocate* as the Official Journal of the New Orleans Public Belt Railroad Corporation for Fiscal Year 2021.

Ms. Scelson presented and recommended approval of the resolution. She stated that pursuant to NOPB's Articles of Incorporation, the Corporation is subject to the requirements of Public Contract Law (La. R.S. 38:2211, *et seq.*), Open Meetings Law (La. R.S. 42:11, *et seq.*), and Public Records Law (La. R.S. 44:1, *et seq.*), which require various public notifications through an official print journal. For Fiscal Year 2021, *The New Orleans Advocate* is the sole newspaper publication that qualifies as an official journal per the requirements of La R.S. 43:171, *et seq.*

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

G. Consider Approval of a Resolution Authorizing the Chief Executive Officer to Enter into a Cooperative Endeavor Agreement with the Board of Commissioners of the New Orleans Regional Transit Authority in Connection with the Canal Street Ferry Terminal Project.

Ms. Coats presented and recommended approval of the resolution. She stated that in June of 2018, NOPB entered into a Cooperative Endeavor Agreement with the Board of Commissioners of the New Orleans Regional Transit Authority (“RTA”) in connection with the Canal Street Ferry Terminal Project (“Project”). The RTA subsequently made significant changes to the Project, which ultimately reduces the overall impacts to NOPB. Staff recommends entering into a new CEA to clarify impacts on NOPB regarding the safety and permitting processes, maintenance responsibilities, and costs.

Director Berger asked for clarification if the overhead walkway over the rail tracks was being replaced in the same location. Ms. Coats confirmed the walkway was being torn down and rebuilt in the same location.

Director Ponstein asked if NOPB would ensure the correct height clearance for the overhead walkway. Ms. Coats confirmed the minimum height requirement for rail traffic was 23 feet, and the plans for the replacement walkway would conform to this standard.

Director Toomy moved to approve the resolution and Director Baker seconded. **MOTION CARRIED UNANIMOUSLY**

H. Consider Approval of a Resolution Ratifying Action Taken by the Board of Commissioners of the Port of New Orleans in Renewing the Employment Contract of Ms. Brandy D. Christian, to Serve as the New Orleans Public Railroad Corporation’s Chief Executive Officer, to be Effective July 1, 2020.

Pursuant to NOPB’s Articles of Incorporation, the President and Chief Executive Officer of the Port also serves as the Chief Executive Officer for NOPB. Chair Hernandez recommended the approval of the resolution ratifying the Port’s decision to renew Ms. Brandy D. Christian’s employment contract for a period of three (3) years, beginning July 1, 2020.

Director Ponstein moved to approve the resolution and Director Baker seconded. **MOTION CARRIED UNANIMOUSLY**

IV. Report by the General Manager

Mr. Stolzman provided a summary of transportation operations, car shop operations, storage and switching volumes. He noted a decline in both local and Class I switching volume, which he attributed to COVID-19 impacts. For May, storage volumes continued to increase, averaging over 800 railcars per day. For intermodal, Mr. Stolzman noted slight reductions in export and import volumes for May. Mr. Stolzman congratulated his crew for achieving single-digit dwell time for May with an average of 9.7 hours.

Mr. Stolzman provided an overview of engineering and maintenance productivity, both of which continued to increase in the month of May. Car shop repairs increased slightly in May, while repair truck crews continued to address more repairs in the field. There are currently four (4)

new locomotives in operation, bringing the overall fleet availability to an 85% average during the month of May.

V. Adjournment

There being no further business to come before the Board, Chair Hernandez called for a motion to adjourn. Director Baker so moved and Director Toomy seconded. **MOTION CARRIED UNANIMOUSLY** and Chair Hernandez adjourned the meeting at 3:40 p.m.