

STATE OF LOUISIANA
BOARD OF COMMERCE & INDUSTRY
BEING HELD ON WEDNESDAY, AUGUST 24, 2022
AT THE LASALLE BUILDING
617 North Third Street, FLOOR 1, LABELLE ROOM
Baton Rouge, Louisiana

REPORTED BY: KELLY S. PERRIN, C.C.R.

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1 APPEARANCES :

2 BOARD MEMBERS PRESENT :

3 CHAIRMAN JERALD JONES

4 RONNIE SLONE

5 DR. BEVERLY B. THOMPSON

6 STUART A. MOSS

7 MATTHEW BLOCK

8 KENNETH HAVARD

9 REPRESENTATIVE SCOTT MCKNIGHT

10 JAN K. MOLLER

11 RICKEY L. FABRA

12 SENATOR MIKE REESE

13 SECRETARY DON PIERSON

14 SANDRA MCQUAIN

15 DR. WOODROW WILSON, JR.

16 REPRESENTATIVE VINCENT ST. BLANC

17 MAYOR DAVID TOUPS

18 YVETTE COLA

19 SENATOR BARRY MILLIGAN

20 GUY S. MCINNIS

21 NAHEEM "GEORGE" NASSAR, JR.

22 STAFF MEMBERS PRESENT :

23 ANNE VILLA

24 ROBIN PORTER

25 BRENDA GUESS

1 DEBORAH SIMMONS

2 FRANK FAVALORO

3 KRISTIN CHENG

4 HUD USIE

5 MICHAELA ADEGBE

6 TRAVIS ROSENBERG

7 JOYCE METOYER

8 BECKY LAMBERT

9 SONJA CHRISTOPHE

10 STEPHANIE LE GRANGE

11 SHAWN WELCOME

12 RICHARD HOUSE

13 TAM BOURGEOIS

14 LIZ MCCAIN

15 SPEAKERS FROM THE AUDIENCE:

16 FRED PALMER, EQUILON ENTERPRISES, LLC, DBA SHELL,

17 CORPORATE AND GOVERNMENT RELATIONS REGIONAL

18 MANAGER

19 KIRK KELLENBERGER, EQUILON ENTERPRISES, LLC, DBA

20 SHELL, GENERAL MANAGER, CONVENT, LOUISIANA

21 JAMES HUDSON, HONEYWELL, PLANT MANAGER

22 PHYLLIS SIMS, KEAN MILLER, ON BEHALF OF HONEYWELL

23 JIMMY LEONARD, PARTNER, ADVANTOUS CONSULTING, LLC

24 RHONDA BOATNER, DIDIER CONSULTANTS FOR SIERRA FRAC

25 SAND

1 KIP AMICK, SIERRA FRAC SAND

2 BOBBY EDMISTON, BOSSIER PARISH ASSESSOR

3 BRIAN EDDINGTON, COUNSEL FOR BOSSIER PARISH

4 ASSESSOR'S OFFICE

5 B. TROY VILLA, BREAZEALE, SACHSE & WILSON, COUNSEL

6 FOR SIERRA FRAC SAND

7 CHRISTOPHER WHITE, PRESIDENT & CFO, KEROTEST

8 MANUFACTURING CORPORATION

9 WILLIAM SHOCKEY, SHOCKEY & ASSOCIATES, COUNSEL FOR

10 KEROTEST MANUFACTURING CORPORATION

11 BARRY HUGGINS, CEO, RELIANT TECHNOLOGIES,

12 INCORPORATED

13 LISA MARCEL, C&C MARINE AND REPAIR, LLC, CONTROLLER

14 ANNETTE VACCARO, CFO, COMMUNITY COFFEE COMPANY,

15 LLC

16 RENEE MILLER, TAX MANAGER, COMMUNITY COFFEE

17 COMPANY, LLC

18 JAKE NICKENS, ST. TAMMANY CORPORATION, APPEARING ON

19 BEHALF OF DEPENDABLE GLASS WORKS

20 SEAN KIDDER, CONTROLLER, LOUISIANA SUGAR CANE

21 COOPERATIVE, INC.

22 MICHAEL COLEMAN, GENERAL MANAGER, LOUISIANA SUGAR

23 CANE COOPERATIVE, INC.

24 BRANDON LESTER, ACCOUNTANT, MECHANICAL EQUIPMENT

25 COMPANY

1 ROBERT SCHMIDT, PRESIDENT, SOUTH ALEXANDER

2 DEVELOPMENT

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10 REPORTED BY: KELLY S. PERRIN, CCR

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1 P R O C E E D I N G S

2 CHAIRMAN JONES:

3 It's good to see everybody on a wet
4 morning in Baton Rouge for the August meeting
5 for the Board of Commerce and Industry. We
6 call the meeting to order. And, Ms. Simmons,
7 would you call the roll and make sure we have
8 a quorum?

9 MS. SIMMONS:

10 Good morning.

11 CHAIRMAN JONES:

12 Good morning.

13 MS. SIMMONS:

14 Brandon Burris?

15 (No response)

16 MS. SIMMONS:

17 Mayor David Toups?

18 MAYOR TOUPS:

19 Present.

20 MS. SIMMONS:

21 Yvette Cola?

22 MS. COLA:

23 Present.

24 MS. SIMMONS:

25 Guy McInnis?

1 MR. MCINNIS:

2 Here.

3 MS. SIMMONS:

4 Rickey Fabra?

5 MR. FABRA:

6 Here.

7 MS. SIMMONS:

8 Manuel Fajardo?

9 (No response)

10 MS. SIMMONS:

11 Stuart Moss?

12 MR. MOSS:

13 Here.

14 MS. SIMMONS:

15 Representative Vincent St. Blanc, proxy
16 for Representative Davis?

17 REPRESENTATIVE ST. BLANC:

18 Here.

19 MS. SIMMONS:

20 Senator Mike Reese?

21 SENATOR REESE:

22 Here.

23 MS. SIMMONS:

24 Kenneth Havard?

25 MR. HAVARD:

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Here.

MS. SIMMONS:
Jerald Jones?

CHAIRMAN JONES:
Present.

MS. SIMMONS:
Senator McQuain?

SENATOR MCQUAIN:
Here.

MS. SIMMONS:
Senator Barry Milligan?

SENATOR MILLIGAN:
Here.

MS. SIMMONS:
Senator Bret Allain?
(No response)

MS. SIMMONS:
Representative Scott McKnight, proxy for
Stuart Bishop?
(No response)

MS. SIMMONS:
Jan Moller?
(No response)

MS. SIMMONS:
Secretary Don Pierson?

1 SECRETARY PIERSON:

2 Present.

3 MS. SIMMONS:

4 George Nassar?

5 MR. NASSAR:

6 Here.

7 MS. SIMMONS:

8 Darrel Saizan?

9 (No response)

10 MS. SIMMONS:

11 Marshall Simien?

12 (No response)

13 MS. SIMMONS:

14 Ronnie Slone?

15 MR. SLONE:

16 Present.

17 MS. SIMMONS:

18 Proxy Matthew Block for Dr. Shawn Wilson?

19 MR. BLOCK:

20 Present.

21 MS. SIMMONS:

22 Dr. Woodrow Wilson?

23 DR. WILSON:

24 Here.

25 MS. SIMMONS:

1 Travis Holley?

2 MR. HOLLEY:

3 Here.

4 MS. SIMMONS:

5 And Dr. Beverly Thompson?

6 DR. THOMPSON:

7 Here.

8 MS. SIMMONS:

9 We have a quorum.

10 CHAIRMAN JONES:

11 Thank you, ma'am. It is good to see
12 everyone this morning. One thing just as a
13 matter of housekeeping, for everyone who is
14 coming to the table or speaking at the mic and
15 also for the Board Members, we ask that you
16 speak -- get your mouth close to the mic as
17 possible. It helps the court reporter as
18 she's trying to transcribe the minutes of the
19 meeting later. Just, and if I remind you,
20 I'll thoroughly enjoy doing that. So at any
21 rate, just kind of keep that in mind.

22 So first of all, we have the minutes from
23 the June 22 meeting. If you've had a chance
24 to review those, I'll entertain a motion. We
25 have a motion from Mr. Slone to approve and a

1 second from Mr. Moss. Any comments or
2 questions from the Board?

3 Hearing none, any comments from the
4 public?

5 Hearing none, all in favor say, aye.

6 (AYES BY ALL)

7 CHAIRMAN JONES:

8 Any opposition?

9 Hearing none, the minutes are approved.

10 Ms. Adegbe, would you walk us through the
11 Quality Jobs Program?

12 MS. ADEGBE:

13 Good morning.

14 CHAIRMAN JONES:

15 Good morning.

16 MS. ADEGBE:

17 We have three new applications, 20200246
18 JM Test Systems, East Baton Rouge Parish;
19 20200252, Louisiana Sugar Refining, LLC, St.
20 James Parish; 20200274, Stewart Enterprises,
21 Jefferson Parish.

22 CHAIRMAN JONES:

23 Very good. And as a reminder to the
24 Board Members, I know we have some folks on
25 the Board representing other folks today and

1 this may be your first Board meeting. When we
2 entertain motions on multiple items like this,
3 at any point in time, if any member wants to
4 handle a specific application independently,
5 all you have to do is let us know and we can
6 pull that out and handle those individually.
7 As we work through the agenda, we'll handle
8 most things in an in globo fashion. But,
9 again, if you want to handle it individually,
10 we can certainly do that. All you've got to
11 do is let me know.

12 All right. So for these three, we'll
13 entertain a motion. I have a motion from Dr.
14 Wilson to approve; a second from Mr. Nassar.
15 Any comments or questions from the Board?

16 Hearing none, any comments from the
17 public?

18 There being none, all in favor say aye.

19 (AYES BY ALL)

20 CHAIRMAN JONES:

21 Any opposition?

22 There is none. The motion carries.

23 MS. ADEGBE:

24 I have five renewal applications 20170471
25 ControlWorx, LLC, East Baton Rouge Parish;

1 20170481, Manchac Technologies, Rapides
2 Parish; 20170346, Sleep Number Corporation,
3 Jefferson Parish; 20170270, Total Quality
4 Logistics, Orleans Parish; 20170281, Waitr,
5 Inc, Lafayette Parish.

6 CHAIRMAN JONES:

7 And just to make sure the record is
8 clear, Ms. Adegbe, you said these were new
9 applications; these are actually renewals;
10 right?

11 MS. ADEGBE:

12 These are renewal applications.

13 CHAIRMAN JONES:

14 Okay. Very good. Thank you. We're
15 entertaining a motion on these renewals. I
16 have a motion from Mr. Moss; second from Mayor
17 Toups. Any questions or comments from the
18 Board?

19 Hearing none, any comments from the
20 public?

21 There being none, all in favor say, aye.

22 (AYES BY ALL)

23 CHAIRMAN JONES:

24 Any opposition?

25 There is none, motion carries.

1 MS. ADEGBE:

2 I have two change of project physical
3 location, 20180061, Align Technologies Corp,
4 previous address 307 Tchoupitoulas Street, New
5 Orleans, Louisiana 70130, Orleans Parish; new
6 address 4176 Canal Street, New Orleans,
7 Louisiana 70119, Orleans Parish; 202000 --
8 20200149, SchoolMint, Inc, previous address
9 1100 Bertrand Drive, Suite B, Lafayette,
10 Louisiana 70506, Lafayette Parish; new address
11 214 Jefferson Street, Lafayette, Louisiana
12 70501, Lafayette Parish.

13 CHAIRMAN JONES:

14 Right. One thing for the record,
15 Ms. Simmons, Mr. Moller has arrived. I hate
16 to call you out, Jan, but I have to make sure
17 the record is clear. You're here to vote.

18 So I would entertain a motion for these
19 special requests on these new addresses. I
20 have a motion from Mr. Nassar; second from
21 Mr. Slone. Any comments or questions from the
22 Board?

23 Hearing none, any comments from the
24 public?

25 There being none, all in favor, say aye.

1 (AYES BY ALL)

2 CHAIRMAN JONES:

3 Any opposition?

4 There is none, motion carries.

5 MS. ADEGBE:

6 This concludes Quality Jobs.

7 CHAIRMAN JONES:

8 Thank you. You have a great day. Good
9 morning, Ms. Lambert.

10 MS. LAMBERT:

11 Good morning.

12 CHAIRMAN JONES:

13 Walk us through the Restoration Tax
14 Abatement Program.

15 MS. LAMBERT:

16 Certainly. We have two new applications.
17 First one is 20190318 for 511 South Main
18 Enterprises, LLC in Claiborne Parish; the
19 second one is 20180422 818 Howard, LLC in
20 Orleans Parish. This concludes the new
21 application listing.

22 CHAIRMAN JONES:

23 And just as a reminder to the Board
24 members, the Restoration Tax Abatement
25 pursuant to the terms of the Constitution,

1 these matters have already gone to the locals
2 for approval before they come to the Board
3 unlike other programs. So this is -- that has
4 already happened. So if you have any -- do I
5 have a motion for these two new applications?
6 I have a motion from Mayor Toups; second from
7 Dr. Wilson. Any comments or questions from
8 the Board?

9 Hearing none, any comments from the
10 public?

11 There being none, all in favor, say aye.

12 (AYES BY ALL)

13 CHAIRMAN JONES:

14 Any opposition?

15 Hearing none, the motion carries.

16 MS. LAMBERT:

17 The next order of business are two parcel
18 transfers of ownership for Contract Number
19 20150237 Studio Network Shreveport 1, LLC to
20 the new owner, 624 Downtown Lofts, LLC in
21 Caddo Parish. The second is the same Contract
22 Number sold by the same owner, but the new
23 owner is Las Palmas Group Lofts, LLC in Caddo.
24 I didn't put the percentages, but it's about a
25 72 and 28 percent difference with one or the

1 other.

2 CHAIRMAN JONES:

3 Great. Thank you very much. We have a
4 motion? We have a motion from Dr. Wilson.
5 Second? Ms. Cola. Any questions or comments
6 from the Board?

7 Hearing none, any comments from the
8 public?

9 Hearing none, all in favor, say aye.

10 (AYES BY ALL)

11 CHAIRMAN JONES:

12 Any opposition?

13 There is none, the motion carries.

14 MS. LAMBERT:

15 Thank you.

16 CHAIRMAN JONES:

17 Thank you, Ms. Lambert. You have a great
18 day too. Ms. Metoyer, you have anything new
19 today?

20 MS. METOYER:

21 Yes.

22 CHAIRMAN JONES:

23 Good.

24 MS. METOYER:

25 I want to make you aware of two of my

1 applications. They are based on Act 28, which
2 is due to COVID relief, and it allows 721,
3 722, 44s, and 45s to apply between July 1 of
4 '20 through 12/31 of '21.

5 CHAIRMAN JONES:

6 Okay.

7 MS. METOYER:

8 So I have four new applications, 20180528
9 Guarantee Restoration Services, LLC, East
10 Baton Rouge Parish; 20210074 Siegen Retail,
11 LLC, East Baton Rouge Parish; 20210015 VLW,
12 LLC, Lafayette Parish; and 20190356 WCJ
13 Consultants, LLC, Orleans Parish.

14 CHAIRMAN JONES:

15 Okay. So that I'm not the only one that
16 is scratching my head over what you've just
17 told me, all right, so how does that affect
18 these four applications?

19 MS. METOYER:

20 Okay. Siegen Retail, 20210074 is a 721,
21 which is a hotel.

22 CHAIRMAN JONES:

23 Okay.

24 MS. METOYER:

25 And VLW is a restaurant.

1 CHAIRMAN JONES:

2 Okay.

3 MS. METOYER:

4 Those were not eligible anymore based on
5 Act 18 -- I don't want to misquote you, but
6 they haven't been eligible for a while.

7 CHAIRMAN JONES:

8 Okay.

9 MS. METOYER:

10 Only due to COVID were they allowed that
11 short window.

12 CHAIRMAN JONES:

13 Okay. Because of special treatment
14 during the COVID period, they were allowed to
15 take enterprise?

16 MS. METOYER:

17 Yes.

18 CHAIRMAN JONES:

19 Okay. Got it. Thank you. That makes
20 much more sense to me now.

21 MS. METOYER:

22 All right.

23 CHAIRMAN JONES:

24 With that explanation, do we have a
25 motion? Motion to approve from Mr. Nassar;

1 second from Mr. Wilson -- or excuse me, Dr.
2 Wilson. Any comments or questions from the
3 Board?

4 Hearing none, any comments from the
5 public?

6 There being none, all in favor, say aye.

7 (AYES BY ALL)

8 CHAIRMAN JONES:

9 Any opposition?

10 There is none, the motion carries.

11 Moving along.

12 MS. METOYER:

13 There are four terminations, 20190007
14 Edward Via Virginia College of Osteopathic
15 Medicine, Ouachita Parish, the existing
16 contract is 01/16 of '19 through 01/15 of
17 2024. The requested term date is August 1,
18 2021. The program requirements have been met.
19 No additional jobs are anticipated; 20160984,
20 Gator Millworks, Incorporated, Livingston
21 Parish, the existing contract is 01/01/2018
22 through 12/31/2022. The requested term date
23 is 12/31 of '20. The program requirements
24 have been met. No additional jobs are
25 anticipated; 20180111, IP Avanti Lafayette

1 OpCo, LLC, Lafayette Parish, the existing
2 contract is April 3, 2018 through April 2,
3 2023. The requested term date is October 2 of
4 2020. The program requirements have been met.
5 No additional jobs are anticipated; 20180408,
6 Octapharma Plasma, Incorporated, East Baton
7 Rouge Parish, the existing contract is October
8 4 of 2018 to October 3rd of 2023. The
9 requested term date is 12/31 of 2021. The
10 program requirements have been met. No
11 additional jobs are anticipated.

12 CHAIRMAN JONES:

13 Very good. Do we have a motion to
14 recognize these terminations? Have a motion
15 from Mr. Slone; second from Mr. Moss. Any
16 questions or comments from the Board?

17 Any comments from the public?

18 Hearing none, all in favor, say aye.

19 (AYES BY ALL)

20 CHAIRMAN JONES:

21 Any opposition?

22 There being none, the motion carries.

23 And before you go on, Secretary Pierson, would
24 you talk to your landlord and tell him to turn
25 the strobe lights off after the party at night

1 because they're a little distracting in the
2 morning?

3 SECRETARY PIERSON:

4 So noted.

5 CHAIRMAN JONES:

6 All right. Go right ahead.

7 MS. METOYER:

8 Okay. I have one request to change the
9 name of an existing contract, 20161499, CDG
10 Energy, LLC to Shelton Energy Solutions, LLC
11 in Rapides Parish.

12 CHAIRMAN JONES:

13 All right. We have a motion to approve
14 the change of name from Mayor Toups; second
15 from McQuain. Any questions or comments from
16 the Board?

17 Hearing none, any comments from the
18 public?

19 There being none, all in favor say, aye.

20 (AYES BY ALL)

21 CHAIRMAN JONES:

22 Any opposition?

23 There is none, the motion carries.

24 MS. METOYER:

25 That concludes EZ.

1 CHAIRMAN JONES:

2 Thank you, ma'am. Stay dry.

3 Good morning.

4 MS. CHENG:

5 Good morning.

6 MR. USIE:

7 Good morning.

8 CHAIRMAN JONES:

9 All right. Who's up first?

10 MR. USIE:

11 We have 18 Post-Executive Orders 2018
12 Rules Applications. One company is requesting
13 deferral, 20210171, Indorama Ventures Olefins,
14 LLC in Calcasieu Parish.

15 CHAIRMAN JONES:

16 I'm sorry. Which number, Hud?

17 MR. USIE:

18 20210171, Indorama.

19 CHAIRMAN JONES:

20 Indorama. Okay. Thank you very much.
21 We would recognize the motion to defer this
22 one from Dr. Wilson; seconded from Mr. Moss.
23 Any questions or comments from the Board?

24 Hearing none, any comments from the
25 public?

1 All in favor, say aye.

2 (AYES BY ALL)

3 CHAIRMAN JONES:

4 Any opposition?

5 There being none, motion to defer passes.

6 MR. USIE:

7 We also have one correction to make. It
8 is for 20220091, Linde, Inc. in Ascension
9 Parish. The new permanent jobs state 26; that
10 should be 20. And the salaries for new
11 permanent jobs states \$2,350,000 and it should
12 be \$2,200,000.

13 CHAIRMAN JONES:

14 Thank you, sir.

15 MR. USIE:

16 20210037, ASH Industries, Inc., Lafayette
17 Parish; 20210244, Bollinger Houma Shipyards,
18 LLC, Terrebonne Parish; 20220290, CF
19 Industries Nitrogen, LLC, Ascension Parish;
20 20220169 Equilon Enterprises, LLC, DBA Shell
21 Oil Products U.S., Ascension Parish; 20220170
22 Equilon Enterprises, LLC, DBA Shell Oil
23 Products U.S., St. James Parish; 20180148-C
24 Flopam, Inc., Iberville Parish; 20200467,
25 Green Shutter Teas, LLC, St. Charles Parish;

1 20190159, Hood Container of Louisiana, LLC,
2 West Feliciana Parish; 20200133-B,
3 International Paper Company, Washington
4 Parish; 20220091, Linde, Inc., Ascension
5 Parish; 20220175, Linde, Inc., Ascension
6 Parish; 20170492-C, Louisiana Sugar Cane
7 Cooperative, Inc., St Martin Parish;
8 20210142-A, Louisiana Sugar Refining, LLC, St.
9 James Parish; 20200418, Mid South Extrusion,
10 Inc., Ouachita Parish; 20220013, Origin U.S.
11 Megasite I, LLC in Ascension Parish; 20170074,
12 Processors, LLC in St. Martin Parish, and note
13 that that application had a late filing;
14 20210264 Ternium USA, Inc. in Caddo Parish.
15 And that concludes the new applications.

16 CHAIRMAN JONES:

17 All right. Before we move to a motion, I
18 note that Dr. Thompson will be recusing
19 herself from two applications, two thousand --
20 excuse me, 20220169, Equilon Enterprises, LLC
21 and 20220170 Equilon Enterprises in St. James
22 Parish. She will be recusing herself, which
23 means she will not participate in the
24 discussion or the vote on those matters.

25 I have a question. The late application

1 that you mentioned, which application is that?

2 MR. USIE:

3 That's for Processors, LLC, 20170074.

4 CHAIRMAN JONES:

5 Under the Rules, what is the significance
6 of the late application?

7 MR. USIE:

8 It states that if the application is
9 submitted after the filing deadline, the term
10 of exemption available under initial contract
11 and renewal thereof shall be reduced by one
12 year for each year or portion of the year that
13 the application is late.

14 CHAIRMAN JONES:

15 So it's my understanding, that happens
16 automatically and it takes no action by this
17 Board; is that correct?

18 MR. USIE:

19 Correct.

20 CHAIRMAN JONES:

21 Okay. That's why I wanted to get
22 clarification. So, again, so the Board is
23 understanding what we are doing here is that
24 only -- if we have a motion in globo, and
25 again, if anybody wants to handle any one of

1 these individually, we can certainly do so.
2 All you've got to do is ask. But if we handle
3 them in globo, they would get the standard
4 exemption with the exception of the
5 Processors, LLC application, which will have a
6 one-year penalty embedded into their
7 situation. All right?

8 Now, we have a motion from Mr. Nassar and
9 a second from Dr. Wilson to approve these.
10 Any questions or comments from the Board?

11 Hearing none, any comments from the
12 public?

13 Hearing none, all in favor say aye.

14 (AYES BY ALL)

15 CHAIRMAN JONES:

16 Any opposition?

17 There is none, the motion carries.

18 And I -- something that I, you know, we
19 do this every other month, but just so that if
20 anybody is listening or paying attention,
21 we've just approved \$4.7 billion in
22 construction with over one -- over a billion
23 dollars in salaries for the State of
24 Louisiana. And some of these projects are
25 huge, 2 billion, 1.3 billion; some of them are

1 smaller, \$111,000. But the important thing
2 for us to remember as a Board is that every
3 one of these projects are important, every one
4 of these projects bring development to the
5 communities they're in. So what we're doing
6 here is important today. All right.

7 Mr. Nassar?

8 MR. NASSAR:

9 I just wanted to make a comment. Thank
10 you, Shell Equilon for reinvesting in St.
11 James Parish. This is very welcome and very
12 needed, so thank y'all for investing in us.
13 And, hopefully, we'll have the same amount of
14 years going forward as we have in the past.
15 Thank you.

16 CHAIRMAN JONES:

17 Y'all have some comments? Please state
18 your name and your position with the company,
19 please.

20 MR. PALMER:

21 Mr. Chairman, Mr. Nassar, members, I am
22 Fred Palmer. I am Shell's Corporate and
23 Government Relations Regional Manager for the
24 Southeast U.S. based here in Louisiana. In
25 fact, in the next couple of weeks, I'll be a

1 resident of Baton Rouge. I have with me Kirk
2 Kellenberger, who is our General Manager for
3 the Convent site. We're excited to be here
4 today. We appreciate Mr. Nassar's comments.
5 This is the first of a reinvestment in the
6 re-purposing of the Convent site.

7 And with that, I'd like to turn it over
8 to Kirk to explain a little bit about what
9 we're doing with this project.

10 CHAIRMAN JONES:

11 Yes, sir. Thank you.

12 MR. KELLENBERGER:

13 Good morning and thank you, Fred. I am
14 the General Manager at Shell Convent. I have
15 worked at Convent for 18 of my 31 years and
16 lived in Louisiana for 22 of those years. I
17 also reside in Prairieville. Back in February
18 of this year, my former boss, Roman Hardy came
19 before this Board and shared that as part of
20 Shell's energy transition plans in the U.S.,
21 that the Convent facility was no longer being
22 marketed, and Shell was intending to
23 re-purpose the facility. This morning, I'm
24 here to share that, excited actually, to share
25 more about the first new project at Convent to

1 re-purpose the facility for the future.

2 Shell intends to design and build a
3 renewable fuels, HEFA, hydroprocessed esters
4 and fatty acid facility that will produce
5 renewable diesel and sustainable aviation
6 fuel. And if you all can remember what HEFA
7 stands for, congratulations. Shell will
8 utilize the proprietary renewable refining
9 process technology to convert crop oils,
10 animal fats, used cooking oil, and other
11 bio-based waste oils into low carbon intensity
12 transportation fuels. This approximately \$1.5
13 billion project will bring 51 new direct jobs
14 to the site between Ascension and St. James
15 Parishes. It also will add approximately 610
16 construction jobs.

17 Shell's broader energy transition plans
18 include a suite of potential projects at all
19 of its existing U.S. Gulf Coast facilities
20 pending file investment decision and
21 underpinned by carbon capture sequestration
22 here in Louisiana. The Convent facility will
23 essentially become the hub for many of these
24 projects. Shell has a great relationship with
25 the State of Louisiana, and with the

1 communities in which we operate, which
2 positions us well for new growth in the
3 transition to low carbon fuels and products.

4 As a trusted operator and community
5 partner in Louisiana for more than a hundred
6 years, Shell is excited to build on that
7 legacy to help lead the next 100 years of
8 energy in Louisiana and in the U.S. I'm
9 especially excited to celebrate the 55th
10 anniversaries at our Convent and Geismar
11 facilities later this year. And it just so
12 happens that I'm also 55, so I get to have two
13 birthday parties.

14 This morning, we are seeking approval
15 from the Board of our ITEP application for
16 this first project at Convent. If approved,
17 we will then take forward to St. James and
18 Ascension Parish governing bodies to seek
19 their endorsement as well. I really want to
20 thank you for the opportunity to come before
21 you and speaking this morning. We're excited
22 about what's happening at our site considering
23 what we've been through over the last two
24 years, so we really appreciate the
25 opportunity. Thank you.

1 CHAIRMAN JONES:

2 Thank you. And just, again, some Board
3 members may not be aware, when they announced
4 the refinery shutdown, one thing that Shell
5 did, which I was personally very appreciative
6 of is they worked with the Parish and
7 governing authorities there that had relied on
8 the property tax and other tax revenues and
9 worked with them to ease the pain a bit. You
10 shut down a major facility like that,
11 obviously, it's painful. And we thank you for
12 working with them then and now reinvesting in
13 the community to bring that site back to life.
14 And thank you for your confidence in the State
15 of Louisiana and in St. James Parish. Thank
16 you very much.

17 Mr. Nassar, do you have anything else?

18 MR. NASSAR:

19 You've pretty much said it all, but what
20 y'all did for our local governments after the
21 shutdown and in helping us through the hard
22 times with a little extra ad valorem taxes
23 went a long, long way. As I said before, we
24 thank you all for reinvesting in our
25 community.

1 CHAIRMAN JONES:

2 Thank you. Any other questions or
3 comments from the Board?

4 Dr. Thompson?

5 DR. THOMPSON:

6 Although, I recuse myself from the vote,
7 I would like to thank Shell publically for
8 your very deep investment in our State, and
9 specifically in higher our education. Shell,
10 as of two months ago, gave a \$27.5 million
11 investment in our flagship institution at LSU
12 and the Chamber of Commerce, so thank you so
13 much for that. We appreciate that very much
14 and your representation here.

15 CHAIRMAN JONES:

16 Thank you. Anything else from the Board?

17 Thank you very much, Gentlemen.

18 MR. PALMER:

19 Thank you.

20 CHAIRMAN JONES:

21 All right. Hud?

22 MR. USIE:

23 Next, we have seven Pre-EO Renewal
24 Applications, 20140977-A ExPert Riser
25 Solutions, LLC, Lafourche Parish; 20121215,

1 Honeywell International, Ascension Parish;
2 20151706, Honeywell International, Ascension
3 Parish; 20160760, Honeywell International,
4 Ascension Parish; 20160175-A, Hood Container
5 of Louisiana, LLC, West Feliciana Parish;
6 20151753, Occidental Chemical Corporation,
7 Ascension Parish; and 20140273-A, Pod Pack
8 International, LLC in East Baton Rouge Parish.

9 CHAIRMAN JONES:

10 All right. We have a motion on these
11 renewals. We have a motion from Mr. Moss;
12 second from Mr. Nassar. Any questions or
13 comments from the Board?

14 Hearing none any comments from the
15 public?

16 Hearing none, all in favor, say aye.

17 (AYES BY ALL)

18 CHAIRMAN JONES:

19 Any opposition?

20 There being none, the motion carries.

21 MR. USIE:

22 Next, we have one Pre-EO Late Renewal
23 Application, 20121092, Honeywell
24 International, Ascension Parish. The
25 renewal -- the contract expiration date was

1 12/31 of 2020 and the late renewal request
2 date was 12/22 of 2021.

3 CHAIRMAN JONES:

4 Do we have someone here from Honeywell?
5 Please come forward. Please state your name
6 and your position with the company, please.

7 MR. HUDSON:

8 James Hudson, Plant Manager.

9 MS. SIMS:

10 Phyllis Sims, the Law Firm of Kean Miller
11 representing Honeywell.

12 CHAIRMAN JONES:

13 Thank you. Mr. Hudson, you want to tell
14 us what happened?

15 MR. HUDSON:

16 I'm going to let Ms. Sims explain the
17 details of it.

18 CHAIRMAN JONES:

19 Probably a smart thing.

20 MR. HUDSON:

21 I'll tell you about the plan. She can
22 handle everything else.

23 CHAIRMAN JONES:

24 Yes.

25 MS. SIMS:

1 So, Mr. Chairman, this original
2 application was one of those that was filed
3 prior to the Governor's Executive Order, so it
4 was originally filed in March of 2016. It was
5 not yet ready to come before the Board by that
6 June 24th, 2016 date because LED had some
7 questions about it. So we worked with, at the
8 time, Ms. Webber and Ms. Jane because it was a
9 transition, as you know, going on, and
10 answered those questions and then submitted
11 the renewal application -- submitted an
12 amended application in October of 2016, but as
13 you all well know what happened from that time
14 on. So this application, the original
15 application, was then just put on hold for at
16 least a couple of years while the new rules
17 were being developed.

18 And then through a series of similar
19 delays, the original application was not even
20 approved by the Board until after the first
21 five-year term had run. So that's why the
22 renewal application was late because of the
23 delay in approving the original application.
24 And I can go into a lot of detail, but I'm not
25 going to do that unless the Board has specific

1 questions.

2 CHAIRMAN JONES:

3 So is this the one that we had just a few
4 months ago?

5 MS. SIMS:

6 It is. Correct. And it was with a few
7 others and it was on the Board's agenda for
8 December, and then the Board could not get a
9 quorum. And so that series of applications
10 were then approved in February earlier this
11 year.

12 CHAIRMAN JONES:

13 Okay. So the application for the
14 original term, five-year term, was just
15 approved within the last two meetings, I would
16 guess.

17 MS. SIMS:

18 Correct.

19 CHAIRMAN JONES:

20 And so you're already into your second
21 term.

22 MS. SIMS:

23 That is correct.

24 CHAIRMAN JONES:

25 So was there a reason that we could not

1 go ahead and file the renewal prior to the
2 approval of the first application? I don't
3 know who I'm asking that question. Is there a
4 reason that the renewal could not have been
5 filed?

6 MR. USIE:

7 After an application is Board approved
8 and a project is complete, the companies are
9 required to file an Affidavit of Final Cost
10 and Project Completion Report, and the system
11 will not allow a renewal application to be
12 filed up until those required articles of the
13 contract are also filed.

14 CHAIRMAN JONES:

15 So, literally, they could not file the
16 renewal until we approved the original
17 contract?

18 MR. USIE:

19 Correct.

20 CHAIRMAN JONES:

21 So even if they had tried to file by
22 12/31/2020, the system would not have allowed
23 them to do so?

24 MR. USIE:

25 Well, our recollection of the reason for

1 the application being on hold was not due to
2 what was stated by Ms. Sims. We were
3 requiring corrections to be made to the
4 application, and there were long delays on
5 both ends in processing the application.

6 CHAIRMAN JONES:

7 What I'm trying to understand though is
8 that the -- agree, yeah, whatever happened
9 happened.

10 MR. USIE:

11 The application needed Board approval
12 first; that had to come first.

13 CHAIRMAN JONES:

14 And that did not happen until after
15 December --

16 MR. USIE:

17 That did not occur until January of 2022.

18 CHAIRMAN JONES:

19 Okay. So to make sure my question gets
20 finished, it did not happen before 12/31/2020
21 when the contract expired, and so the renewal
22 application was filed -- it was filed
23 12/22/2021. How did they file the late
24 renewal request then if we did not approve it
25 until January of 2022?

1 MR. USIE:

2 It's allowed in the system; they just
3 can't be processed. So it could technically
4 be filed, but we wouldn't review it because we
5 have to have the contract and the AFC and the
6 PCR, and then the renewal can be processed
7 because the renewal data is pulled from the
8 Affidavit of Final Cost for the project. So
9 the renewal would never be accurate until the
10 Affidavit of Final Cost was reviewed and
11 processed by us.

12 CHAIRMAN JONES:

13 I'm trying to wrap my head around this,
14 guys, because I thought I was understanding.
15 I thought I was tracking, but now apparently
16 I'm not.

17 MS. SIMS:

18 Mr. Chairman, if I may?

19 CHAIRMAN JONES:

20 Please.

21 MS. SIMS:

22 So --

23 CHAIRMAN JONES:

24 If you can shed some light on my
25 confusion, that would be wonderful.

1 MS. SIMS:

2 There were several applications that
3 experienced the same type of delays. When the
4 Board wasn't able to get a quorum for December
5 of 2021, then I went to --

6 CHAIRMAN JONES:

7 Oh, wait. Let me stop you. 2021 or
8 2022?

9 MS. SIMS:

10 December of 2021.

11 CHAIRMAN JONES:

12 Okay.

13 MS. SIMS:

14 And I believe that was the meeting that a
15 quorum was not established.

16 CHAIRMAN JONES:

17 We had a couple of those, so...

18 MS. SIMS:

19 Okay. So is that correct, Hud?

20 MR. USIE:

21 (Nods head.)

22 MS. SIMS:

23 And so because, at that time, I was
24 waiting on Board approval for several
25 applications originally filed, I knew once

1 that -- they were on the agenda for December.
2 When they were not approved, I went to
3 Ms. Cheng and Mr. Usie and said, what do we
4 do; these are going to be late now? And so we
5 worked together. And Mr. Usie then said, if
6 you go ahead and get the Affidavit of Final
7 Cost filed of the Project Completion report, I
8 believe the system will then allow you to file
9 the renewal, even though the original
10 application has not been approved, but we
11 didn't know that. So there were a few
12 applications where I was able to do that, but
13 this one was already into its sixth year.

14 CHAIRMAN JONES:

15 And, again, for Board members who are
16 sitting here today for the first time, the
17 reason that we're wrestling with this a bit is
18 because, under the rules, we can penalize an
19 applicant when they have filed a renewal late.
20 And as a matter of course, what this Board has
21 done historically is there's a one-year
22 penalty for each month that the application is
23 filed late. So it's a significant value, the
24 penalty is of significant value for all
25 parties concerned.

1 So what I'm trying to wrap my head around
2 today, and I hope the Board is wrestling with
3 me and will help me get there, is there -- is
4 -- is there -- and I hate to use the word fall
5 because that's not the right word. Is the
6 cause for the late renewals systemic or was it
7 for failure on the applicant's part? And
8 that's what I'm trying to understand and the
9 reason I'm digging a little bit here.

10 MS. SIMS:

11 I can go into a little more detail. It
12 was, like I said, a series of things.

13 CHAIRMAN JONES:

14 Okay.

15 MS. SIMS:

16 Like I said, the original application was
17 filed on March of 2016. It wasn't processed
18 and ready for approval by the Board's date for
19 June 24t, 2016, when the Governor issued the
20 Executive Order. So then we met in
21 Ms. Cheng's office to say, what do you need.
22 And the application and breakdown of purchases
23 was then reviewed and we needed to revise a
24 bit. Then, we filed an amended application
25 revising the breakdown of purchases October of

1 2016. And within the Fastlane system, then it
2 says, on hold.

3 So it literally sat there for a couple of
4 years, just as I said earlier, just waiting
5 for all of the new rules to be established.
6 Then, I reached out to LED and said, okay,
7 these things are moving; these thing that were
8 filed prior to the Governor's Executive Order
9 are moving. What do we need to do to get this
10 moving? And the answer was, okay, you need a
11 contract affidavit.

12 For those of you that are not familiar
13 with what happened prior to the Governor's
14 Executive Order and after, the contract
15 affidavit was a new requirement. And so it
16 took some time for the company to actually
17 review the requirements of the contract
18 affidavit and then comply with it. So that
19 was done, got that uploaded to the system in
20 early 2019. And a couple of months later, I
21 reached out to LED and said, hey, reached out
22 to Mr. Usie and said, hey, Hud, I filed these,
23 you know, what do we need. And he said, I
24 don't see them. And I said, well, I'm looking
25 at them. And so we got together on the phone,

1 and he said, oh, you uploaded them to the
2 summary page. And I said, well, what does
3 that matter. And he said, well, if you upload
4 to the summary page in the system, we don't
5 receive a notification that anything has been
6 uploaded; re-upload them.

7 So I re-uploaded those, and so that was a
8 several month delay. Then I said, all right,
9 what else do we need? And Ms. Cheng says,
10 well, because it's been sitting here for so
11 long, we need a verification from the Assessor
12 that these assets have not been put on the
13 taxable rolls; okay, we got that. So we
14 uploaded that. And I came back and said,
15 okay, what else do we need. Well, then in
16 November of 2019, I get a notification and it
17 says, we need a little payroll information;
18 but by the way, we need the breakdown of
19 purchases. And I was a little shocked because
20 I went back and not only re-uploaded that, but
21 I went to back to LED and said, we filed this
22 application and breakdown of purchases twice
23 in March of 2016, then we had a meeting about
24 it and refiled in October of 2016; where is
25 it?

1 So, presumably, when the Fastlane system
2 rolled over from the old generation to the new
3 generation, documentation was lost, but nobody
4 knew that. And so that was another delay. So
5 when I say there was a series of delays like
6 that, that's what I mean.

7 CHAIRMAN JONES:

8 Okay. Any comments from Hud or Kristin
9 on this? Any enlightenment you can provide?

10 MR. USIE:

11 And there were several delays. It wasn't
12 just the fact that it was on hold. But like
13 she orated, there were changes to the program.
14 And whenever an application is reviewed, they
15 have to be reviewed to the standards of the
16 day you're reviewing them. So there did need
17 to be changes of the breakdown of purchases,
18 there did need to have a notarized Affidavit;
19 all of that is correct. But the renewal,
20 everything got delayed because the
21 applications were delayed in being brought to
22 the Board for approval, so it caused a domino
23 affect in everything else being reviewed and
24 processed timely.

25 CHAIRMAN JONES:

1 Okay. Any -- I know we're falling
2 outside of parliamentary procedure, we're
3 having a discussion without a motion, but this
4 is one of those that I'm trying to figure out
5 what the motion ought to be. It appears to me
6 that this is a situation where, yes, it was a
7 late renewal, but I'm not sure that it falls
8 on the applicant; that the fault of the late
9 renewal falls entirely on the applicant. So I
10 would -- I'll entertain a motion. I think I
11 know what it ought to be, but I'll defer to
12 you guys what you think it ought to be.

13 Okay. Motion from Mr. Slone.

14 MR. SLONE:

15 I think the motion should be that we
16 approve the entire five-year without the
17 penalty that we normally do.

18 CHAIRMAN JONES:

19 Okay.

20 MR. SLONE:

21 Based upon the circumstances, it seems
22 like the initial delay, the Executive Order,
23 Fastlane, and things going back and forth,
24 that would be my motion.

25 CHAIRMAN JONES:

1 Okay. We've got a second on that from
2 Mr. McInnis. Any questions or comments from
3 the Board?

4 Any comments from the public?

5 Hearing none, all in favor, say aye.

6 (AYES BY ALL)

7 CHAIRMAN JONES:

8 Any opposition?

9 There being none, the motion carries.

10 Thank you very much.

11 MS. SIMMONS:

12 Thank you, Mr. Chairman.

13 MR. HUDSON:

14 Thank you very much.

15 MR. USIE:

16 Next, we have a renewal following the
17 Post-Executive Order 2017 Rules, 20170164,
18 Cortec, LLC in West Baton Rouge Parish.

19 CHAIRMAN JONES:

20 All right. Walk me through the compliant
21 and noncompliant information here on this.

22 MR. USIE:

23 They were compliant for all four years
24 with the exception of reporting year two and
25 three. The applicant was compliant for the

1 jobs and payroll, but they had a late filing
2 for those years. They were brought before the
3 Board, and there was no penalty imposed for
4 those two reporting periods for the late
5 filing.

6 CHAIRMAN JONES:

7 Okay. So those noncompliant issues have
8 already been dealt with by this Board?

9 MR. USIE:

10 Correct.

11 CHAIRMAN JONES:

12 Okay. So Ladies and Gentlemen, we have a
13 renewal, there were compliance issues, this
14 Board has already acted on those. So those
15 should not be issues or don't have to be
16 issues on the renewal, unless you choose to
17 make them. So I will entertain a motion for
18 Cortec, LLC in West Baton Rouge Parish. I
19 have a motion from Mr. Fabra to approve.

20 MR. FABRA:

21 Yes, sir.

22 MAYOR TOUPS:

23 Second.

24 CHAIRMAN JONES:

25 Second from Mayor Toups. Any questions

1 or comments from the public?

2 Hearing none -- excuse me, any comments
3 from the Board? Anything from the Board?

4 Hearing none, any comments from the
5 public?

6 There being none, all in favor, say aye.

7 (AYES BY ALL)

8 CHAIRMAN JONES:

9 Any opposition?

10 There being none, the motion carries.

11 MR. USIE:

12 Next, we have a Post-Executive Order
13 Renewal Application following the 2018 Rules,
14 20170001 C&C Marine and Repair, LLC in
15 Plaquemines Parish in all four recording
16 periods were compliant.

17 CHAIRMAN JONES:

18 All right. Entertain a motion to approve
19 from Mr. Nassar; second from Dr. Wilson. Any
20 comments or questions from the Board?

21 There being none, any comments from the
22 public?

23 Hearing none, all in favor, say aye.

24 (AYES BY ALL)

25 CHAIRMAN JONES:

1 Any opposition?

2 There is none. The motion carries.

3 MR. USIE:

4 Next, we have three Change in Names,
5 Westlake Petrochemicals, LP, 20161336,
6 20161337, and 20161338 changing their name to
7 Westlake Petrochemicals, LLC, and these are in
8 Calcasieu Parish.

9 MR. MOSS:

10 So moved.

11 CHAIRMAN JONES:

12 We have a motion from Mr. Moss; second
13 from Mayor Toups. Any questions or comments
14 from the public -- excuse me, from the Board?

15 There being none, any comments from the
16 public?

17 Hearing none, all in favor, say aye.

18 (AYES BY ALL)

19 CHAIRMAN JONES:

20 Any opposition?

21 There is none. These changes in name are
22 approved.

23 MR. USIE:

24 We have one Partial Transfer, Sasol USA
25 Corporation, 20150156. Sasol USA Corporation

1 is retaining \$5,474,191 and Louisiana
2 Integrated Polyethylene JV, LLC is receiving
3 \$6,199,895, and this is in Calcasieu Parish.

4 CHAIRMAN JONES:

5 All right. I have a motion to approve
6 from Mr. Moss; second from Mr. Slone. Any
7 questions or comments from the Board?

8 There being none, any comments from the
9 public?

10 Hearing none, all in favor, say aye.

11 (AYES BY ALL)

12 CHAIRMAN JONES:

13 Any opposition?

14 There being none, the motion carries.

15 MR. USIE:

16 We have eight Contract Cancellations.
17 The first is for A.O.U.O.P.S. Inc., Contract
18 20170103 and 20170103-A both in East Carroll
19 Parish, and the company is requesting
20 cancellation.

21 Next, we have Blackwater Harvey, LLC,
22 20150828 in Jefferson Parish. LED requests
23 cancellation upon notification by the
24 company's consultant that the site sold on
25 July 31st, 2020, and the ITEP contract

1 subsequently was not transferred to the new
2 owner. The new owner has filed tax renditions
3 without any exempt property per the
4 consultant.

5 Next, we have Community Coffee Company,
6 LLC in West Baton Rouge Parish, Contract
7 Number 20170559, and the company requests
8 cancellation.

9 Juniper Specialty Products, LLC, 20161808
10 in Calcasieu Parish. LED requests
11 cancellation due to the company failing to
12 file a transfer of ownership and the Annual
13 Project Status reports for front-end contracts
14 required per ITEP rule or complied with
15 commencement of operations and job reporting
16 requirements outlined in their Exhibit A
17 agreement. Company contacts were notified and
18 the Assessor is aware of the situation.

19 Last, we have South Alexander Development
20 I, LLC, 20180355 in Livingston Parish; South
21 Alexander Development III, LLC, 20180414 in
22 Lincoln Parish; and South Alexander
23 Development X, LLC, 20180287 in Calcasieu
24 Parish. In all three, LED requests
25 cancellation of these contracts due to the

1 companies failing to file Annual Project
2 Status Reports for the front-end contracts and
3 Affidavit of Final Costs, Project Completion
4 Reports, or comply with the commencement of
5 operations and job reporting requirements
6 outlined in Exhibit A agreements. Company
7 contacts were notified.

8 CHAIRMAN JONES:

9 All right. So we have these requests for
10 cancellation of contract. Do we have a
11 motion? Motion from Dr. Wilson; second from
12 Mr. Moller. Any comments or questions from
13 the Board?

14 Any comments from the public, including
15 any of these companies here that are having
16 their contracts canceled?

17 Mr. Leonard?

18 MR. LEONARD:

19 Good morning, Chairman, Board Members.
20 Jimmy Leonard, Advantous Consulting. I am not
21 here specifically representing any company. I
22 was on the phone earlier this morning with
23 South Alexander Development, they're driving
24 in from New Orleans. I know he's intending to
25 be here to make a case before the Board. So

1 on his behalf, I would ask if we could defer
2 this by chance until later in the meeting to
3 give him a little more time to arrive here.

4 CHAIRMAN JONES:

5 Okay. This is --

6 MR. LEONARD:

7 He was in the car driving here on the way
8 to the Board meeting this morning.

9 CHAIRMAN JONES:

10 What is the pleasure of the Board?

11 MR. SLONE:

12 I make a motion that we defer it for now.

13 CHAIRMAN JONES:

14 Okay. All right. And who was my motion?
15 Who made a motion? Mr. Nassar, would you
16 agree to modify your motion to exclude from
17 your motion the South Alexander -- the three
18 South Alexander Developments to give them an
19 opportunity to get here?

20 MR. NASSAR:

21 Yes, sir.

22 CHAIRMAN JONES:

23 And who was my second? Mr. Moller, would
24 you agree with that?

25 MS. SIMMONS:

1 Dr. Wilson was your -- excuse me, Dr.
2 Wilson was your original.

3 CHAIRMAN JONES:

4 Oh, I'm sorry, Dr. Wilson; it wasn't Mr.
5 Nassar. So we have the mover and the second
6 have agreed to amend their motion to exclude
7 -- so now, the motion is to cancel all of
8 these contracts with the exception of the
9 three South Alexander Development LLCs, and we
10 will come back to those once the
11 representative -- assuming the representatives
12 get here by the end of the meeting. If they
13 don't get here by the end of the meeting,
14 we'll still take them up.

15 MR. LEONARD:

16 That's fair.

17 CHAIRMAN JONES:

18 All right.

19 MR. LEONARD:

20 Thank you very much.

21 CHAIRMAN JONES:

22 All right. So now, we have an amended
23 motion and second to approve these
24 cancellation of contracts for all that have
25 been requested with the exception of the three

1 South Alexander Development contracts. Any
2 questions or comments from the Board?

3 Any comments from the public?

4 Hearing none, all in favor, say aye.

5 (AYES BY ALL)

6 CHAIRMAN JONES:

7 Any opposition?

8 There is none. The motion carries.

9 Hud, you and Kristin make sure we come
10 back to these before we leave today.

11 MR. USIE:

12 Okay.

13 MS. CHENG:

14 We have a Special Request from Sierra
15 Frac Sand, Application 20180502-ITE. Sierra
16 Frac Sand filed an application for tax
17 exemption on their addition to the facility
18 completed in 2020 that was made to further
19 facilitate their manufacture of frac sand.
20 LED received notice that the taxes were paid
21 under protest on those assets and that the
22 Assessor is actively contesting the protest.
23 This led to the implementation of Section
24 517(B) of the ITEP Rules. LED has received
25 letters from the Bossier Parish Police Jury,

1 Bossier Parish School Board, Bossier Parish
2 Sheriff, and Bossier Parish Assessor
3 concerning this application for BCI's review
4 and consideration.

5 CHAIRMAN JONES:

6 Thank you, ma'am. Do we have someone
7 here from Sierra Frac Sand? I've got cards
8 from Nicole Gould Frey and Troy Villa. All
9 right. State your name for the record and
10 your position with the company, please.

11 MS. BOATNER:

12 Rhonda Boatner, Didier Consultants
13 representing Sierra Frac Sand.

14 MS. AMICK:

15 My name is Kip Amick. I work for Sierra
16 Frac Sand.

17 CHAIRMAN JONES:

18 Okay. So those aren't the folks that
19 gave me a card, but that's okay; I can be
20 flexible. All right. Tell us what's going on
21 here.

22 MS. BOATNER:

23 So the company had an existing facility
24 in Bossier Parish, and they expanded that
25 facility, and we've applied for the exemption.

1 The assets that are related to this exemption
2 are part of the manufacturing process and the
3 application was filed timely. Some of the
4 assets were placed on the rolls, the tax
5 rolls, and the company has filed suit and paid
6 under protest.

7 CHAIRMAN JONES:

8 Okay. So help me out, I have been
9 working under the assumption that the rules
10 provide that if assets are placed on the tax
11 rolls, that that precludes the ability to
12 approve these applications. Is that not a --
13 I think I've come to understand that that
14 understanding is incorrect.

15 Ms. Bourgeois, can you help me with that,
16 because I want to cross that hurdle first.

17 MS. BOURGEOIS:

18 Tam Bourgeois for the Board. Yes,
19 semantically, that is how the rules read, that
20 you need permission from the Assessor and the
21 locals in order to move forward with your
22 exemption. Now, it was paid under protest.
23 And so part of it is that they have not paid
24 their taxes until the suit plays out, but we
25 have received letters from the locals, the

1 three local governing entities saying that
2 they do not object to the Board considering
3 the application and that they would agree to
4 remove it from the rolls.

5 We got a letter from the Assessor
6 indicating that they have no objection to the
7 Board entertaining the application outweighing
8 in one way or the other as to whether they
9 would actually remove the taxes from the
10 rolls. So that's how I understand the
11 posture.

12 CHAIRMAN JONES:

13 So let me see if I can, and I know that
14 we've had two summaries of what's going on
15 here, but from my perspective having looked at
16 this over the course of the last several days,
17 we have an application and we have taxes that
18 were paid under protest, and there's
19 litigation going on between the Assessor and
20 the applicant over that particular payment and
21 protest. And I know there was a judgment at
22 the trial court level that is now under appeal
23 to the 2nd Circuit Court of Appeal. And so
24 initially, when all this was brought to the
25 Chair, and I was looking at this as we got the

1 agendas, I was trying to wrap my head around
2 what all the implications of all the
3 litigation was. And while I'm only one vote
4 on the Board, where I've landed personally is
5 that there's a lot of noise around this
6 application that has nothing to do with the
7 application. There's things that are going on
8 in the court system that are out there that we
9 that may have implications on us at some point
10 in the future, but not yet today. And that's
11 where I've landed.

12 I know Mr. Edmiston, the Tax Assessor,
13 and his attorney are here and I want to be
14 sure to give them an opportunity to come. And
15 if my impressions are incorrect or if they
16 want to correct my impressions, then I sure
17 want to give them the opportunity to do so.
18 So and let's do that now. Mr. Edmiston or
19 Mr. Eddington? Please state your name and
20 your position, please.

21 MR. EDMISTON:

22 I'm Bobby Edmiston, Bossier Parish
23 Assessor.

24 MR. EDDINGTON:

25 Brian Eddington, Counsel for the Bossier

1 Parish Assessor's Office.

2 MR. EDMISTON:

3 I'm not here to add anything. Y'all have
4 the 517 Letter. You obviously know where this
5 is in the court system, you know. I'm not
6 here to add anything to that, unless somebody
7 has a question.

8 CHAIRMAN JONES:

9 Do you -- are you or, Mr. Eddington, you
10 heard my impression of where this Board is.
11 Do you have any problem with that?

12 MR. EDMISTON:

13 I have no problem with it.

14 CHAIRMAN JONES:

15 Okay. All right. Very good. Thank you
16 very much. I appreciate that.

17 MR. EDMISTON:

18 Thank you.

19 CHAIRMAN JONES:

20 Now, again, we have two others that
21 wanted to speak on this issue, Troy Villa and
22 Nicole Frey?

23 MR. VILLA:

24 Good morning.

25 CHAIRMAN JONES:

1 Good morning.

2 MR. VILLA:

3 Troy Villa, with Breazeale, Sachse &
4 Wilson, Attorney for Sierra Frac Sand.

5 CHAIRMAN JONES:

6 Yes, sir.

7 MR. VILLA:

8 I don't have any more to add other than I
9 think you kind of summarized it properly, that
10 the payment on the protest was really just to
11 protect the taxes that came due because the
12 company received an invoice form. The project
13 had not been completed or put in operation at
14 the time we did that. Our application wasn't
15 filed until within the 90 days after that
16 happened, which is permitted under the rules.
17 So there's kind of a crossover of the calendar
18 there.

19 CHAIRMAN JONES:

20 Right.

21 MR. VILLA:

22 According to 517, which is sort of a
23 leftover provision from the prior rules,
24 technically, if it's on the tax rolls and the
25 taxes haven't been paid, we have to get the --

1 the taxpayer, as the applicant, has to get the
2 permission of the Assessor and the local
3 governments to agree to remove it if the
4 exemption is granted. Well, we're not sure
5 that the taxes were considered paid. I think
6 LED, Ms. Bourgeois sort of made clear of that
7 to that, but we went through that process
8 anyway because LED said we had to do that.

9 CHAIRMAN JONES:

10 Okay.

11 MR. VILLA:

12 So here we are. The taxes are on the tax
13 roll. Taxes have been paid under protest for
14 two tax years now. Our application was
15 timely. It's taken us this long through the
16 delays of getting the letters and some other
17 things to get a hearing here today. The
18 taxpayer has in good faith gone forward with
19 their expansion, completed it, operating it,
20 are throwing a lot of money toward the public
21 fisc and the Parish, the most property taxes
22 that are not contested and in sales and use
23 tax, which is substantial amounts of money.
24 So they have been operating.

25 We think they are a great example of why

1 ITEP was created to attract a company from
2 another state to come here, locate, employ
3 people and contribute to the local economy and
4 the tax fisc, and they've done that. And
5 they'll continue to do that, but I think that
6 the delays have been unfortunate. And we
7 would just like to move forward towards going
8 back to the locals and making our case for the
9 contract being granted.

10 CHAIRMAN JONES:

11 And, again, just for purposes of, again,
12 newer Board members or people who are
13 representing others, again, what will happen
14 next? Assuming if this Board were to approve
15 the application, that does not necessarily
16 mean they get the exemption. What that then
17 means is that the applicant must go back to
18 the local taxing authorities and get approval
19 of the exemption. So all that -- and I don't
20 mean to sound argumentative, but what this
21 approval of the application does is simply
22 allow that process to move forward is in
23 simplest terms.

24 So with that, any other comments from the
25 Staff's perspective? Thank you. Thank you

1 very much. From the Staff's perspective, are
2 there any impediments otherwise to approve the
3 application if it was timely?

4 MS. CHENG:

5 No, sir, everything was filed as
6 referred.

7 CHAIRMAN JONES:

8 Okay. All right. Thank you very much.
9 We have a motion from Dr. Wilson; a second
10 from Ms. Cola.

11 MR. LEONARD:

12 May I, please?

13 CHAIRMAN JONES:

14 Yes. Of course, you can, but let me get
15 to the public first; okay.

16 MR. LEONARD:

17 Yes.

18 CHAIRMAN JONES:

19 I just thought you wanted more chair
20 time, I didn't know; okay.

21 So we have a motion and a second to
22 approve the application. Any comments or
23 questions from the Board?

24 Hearing none.

25 Now from the public, Mr. Leonard?

1 MR. LEONARD:

2 I just wanted to share with the Board
3 that there are over at the Louisiana Tax
4 Commission, there are concerns regarding the
5 timing of when contracts are being executed
6 over a calendar year periods, and that in the
7 circumstances presented to you today, the
8 payment of the protest is a right that the
9 taxpayer has in order to prevent taxes being
10 paid because the rule is correct.

11 Historically, as Troy said, the carryover,
12 when the rules were originally done, the
13 general concept is the Board should not be
14 exempting taxes that are currently being paid
15 on a property in the State of Louisiana. And
16 so you can't take existing property and then
17 go seek an exemption and remove revenue from a
18 local jurisdiction. But in terms of trying to
19 prevent taxes from being paid, the only right
20 the taxpayers have is this payment under
21 protest process. So it's a way to postpone
22 the payment while the matter gets resolved.

23 That's all I really wanted to add to the
24 Board. So it's not much of a contentious;
25 it's a way to postpone an action until an

1 issue gets resolved.

2 CHAIRMAN JONES:

3 And allow the process to move forward.

4 MR. LEONARD:

5 Allow the process to move forward, yes,
6 sir.

7 CHAIRMAN JONES:

8 All right. Thank you very much. Any
9 other comments from the public?

10 Hearing none, all in favor of the motion,
11 say aye.

12 (AYES BY ALL)

13 CHAIRMAN JONES:

14 Any opposition?

15 There being none, the motion carries.

16 Thank you all for clarifying that situation.

17 Next?

18 MS. CHENG:

19 Grant under special request, this is for
20 Graham Packaging Company, LP, Contract
21 20180413-ITE. At the time our ITE application
22 was filed, Graham employed 55 full-time jobs
23 at its West Baton Rouge plant. Of these
24 positions, 12 were directly assigned to a
25 depalletizing function, which is the last step

1 in the plant's process to deliver its products
2 in ready-to-use condition. The depalletizing
3 function is a necessary step in the overall
4 product delivery to the customer. Subsequent
5 to our ITE application filing, Graham and its
6 primary customer, also located within West
7 Baton Rouge County, agreed to a new supplier
8 agreement, which accommodated the customer's
9 preference to move the depalletizing function
10 in-house. As a result of this new supplier
11 agreement, our West Baton Rouge plant's steady
12 state headcount target was adjusted to 43
13 full-time positions.

14 In response to this operational change in
15 early 2021, all three local governing bodies,
16 Parish Council, School Board, and the Sheriff
17 took action to recommend to the Board of
18 Commerce and Industry that the terms of the
19 ITE contract be amended. We respectfully
20 request that the BC&I agree to amend the terms
21 of our Industrial Tax Exemption Contract by
22 altering the Exhibit A, Section 4.02 to adjust
23 the Required Annual Jobs from 55 to 43 for all
24 remaining project years, maintaining the same
25 exemption percentage of 80 percent, and a

1 10-year term in the form of two five-year
2 terms. Notably, our payroll commitment of
3 \$2,402,000 will remain unchanged despite the
4 reduction in jobs.

5 CHAIRMAN JONES:

6 Okay. So what is happening here, to make
7 sure I understand, is we have a company that's
8 taking a portion of its manufacturing process
9 and basically outsourcing that to one of its
10 suppliers.

11 MS. CHENG:

12 I think to their customer.

13 CHAIRMAN JONES:

14 Oh, to one of their -- excuse me, to one
15 of their customers, yeah.

16 MS. CHENG:

17 Yes.

18 CHAIRMAN JONES:

19 And so the jobs are remaining; they're
20 simply moving out from under their shop and
21 moving into a customer's shop?

22 MS. CHENG:

23 Right.

24 CHAIRMAN JONES:

25 So as a result, the number of approved

1 jobs is being reduced for this particular
2 contract?

3 MS. CHENG:

4 That's correct.

5 CHAIRMAN JONES:

6 Okay. But they're not changing the
7 payroll?

8 MS. CHENG:

9 No.

10 CHAIRMAN JONES:

11 Okay. And the local governments have
12 approved this?

13 MS. CHENG:

14 Yes, sir.

15 CHAIRMAN JONES:

16 All right. We have a motion from Mayor
17 Toups to approve; second from Dr. Wilson. Any
18 comments or questions from the Board?

19 Hearing none, any comments from the
20 public?

21 There being none, all in favor, say aye.

22 (AYES BY ALL)

23 CHAIRMAN JONES:

24 Any opposition?

25 There being none, the motion carries.

1 MR. USIE:

2 Next, we have Post-Executive Orders,
3 Noncompliant Contracts following the 2017
4 Rules. We have one Contract, Number 20180076
5 for Kerotest Manufacturing Corporation in
6 Avoyelles Parish that is noncompliant for the
7 2019 and 2020 reporting periods. The Exhibit
8 A for the 2019 year required the company
9 create and maintain 170 jobs with \$317,445 in
10 new jobs payroll. And the Exhibit A for the
11 2020 year required the company create and
12 maintain a 177 jobs with \$465,586 in new jobs
13 payroll. Neither reporting periods were
14 submitted by the due dates. This item was
15 presented at the June Board meeting, and the
16 Board allowed the company time to submit these
17 filings. And the Parish, the Sheriff, and the
18 City did not respond to the notices of
19 noncompliance. The School Board approved a
20 recommendation to LED to take no action
21 against Kerotest and defer to the Board of
22 Commerce and Industry.

23 Now to confirm, the 2019 and 2020
24 reporting periods have since been submitted by
25 the company.

1 CHAIRMAN JONES:

2 They have been submitted. All right. Do
3 we have anybody here from Kerotest? Thank
4 you. Will you please state your name and your
5 position with the company? Please pull that
6 mic close so we can hear you.

7 MR. WHITE:

8 Yes, good morning. My name is
9 Christopher White. I am the President and CFO
10 of Kerotest Manufacturing Corporation, and I
11 greatly appreciate this opportunity to
12 reappear before the Board and discuss our
13 issues.

14 CHAIRMAN JONES:

15 Okay. Explain what's been going on.

16 MR. WHITE:

17 Well, you have to go back and look at
18 Kerotest from 2018. In 2018, Kerotest made
19 the application we had a record year. We
20 gross revenue approximately \$41.7 million. We
21 also employed 163 employees in the Louisiana
22 plant.

23 In 2019, we saw some cancellation
24 contracts and delays in contracts, which
25 really affected our top line. We lost

1 approximately one-third of our overall
2 business. Revenue fell from \$41.7 million to
3 \$28.3 million. Subsequently, we reduced our
4 headcount from 163 down to 97 employees.

5 In 2020, it was more the same. We saw
6 stabilization and in our growth factor during
7 the COVID period, and we saw gross revenue of
8 about \$28.9 million. We did increase our
9 employment level to 127 employees.

10 In 2021, we continued to grow. We had
11 gross revenue of about \$35 million. We had
12 127 full-time employees and another 48
13 contract employees for a total of employment
14 of 175 employees.

15 Our current estimates for 2022 are to do
16 about \$40.7 million. We currently have 142
17 employees, full-time employees at the end of
18 July, and another 30 contract employees for a
19 total of 170 employees at the Louisiana Plant.

20 CHAIRMAN JONES:

21 And forgive me, but what do you
22 manufacture?

23 MR. WHITE:

24 Kerotest, and I apologize for not
25 explaining that earlier, Kerotest is a company

1 that was established back in 1909. We build
2 valves for the industrial gas industry. And
3 in 1983, Kerotest become an ESOP. So all of
4 our employees are owners in the company. And
5 just as an instance last year, we distributed
6 to our employees, current and former employees
7 who are with the company approximately
8 \$2.2 million in repurchase stock and things of
9 that nature.

10 CHAIRMAN JONES:

11 Okay. So to be sure I understand, you've
12 -- you had the dip?

13 MR. WHITE:

14 Yes, sir.

15 CHAIRMAN JONES:

16 You brought it back to 140 permanent
17 jobs?

18 MR. WHITE:

19 Correct.

20 CHAIRMAN JONES:

21 Plus 35 contract employees; is that
22 correct?

23 MR. WHITE:

24 We brought it back, currently at the end
25 of July, we're at 142 full-time employees and

1 another 30 contract employees.

2 CHAIRMAN JONES:

3 Thirty. I'm sorry. Now the contract
4 employees, talk to me about that.

5 MR. WHITE:

6 What we have found where our plant is
7 located is a relatively rural area, and what
8 we have found the best way to introduce our
9 employees into that environment is to bring
10 them in as a contract employee. We do this
11 for a period of 90 days and it gives them a
12 chance to see if this is what they'd like to
13 do is work in a manufacturing environment. At
14 the end of that period, we roll them over into
15 full-time employees.

16 CHAIRMAN JONES:

17 So how long a period is that normally?

18 MR. WHITE:

19 It's 90 days.

20 CHAIRMAN JONES:

21 Ninety days, I'm sorry.

22 MR. WHITE:

23 Ninety days.

24 CHAIRMAN JONES:

25 All right. Staff, from a -- the contract

1 employees count as employees for purposes of
2 the ITEP?

3 MR. USIE:

4 No, it has to meet the definition of the
5 job, which is full-time permanent at the site.

6 CHAIRMAN JONES:

7 My thoughts. So we're in a situation
8 where you have dipped; you've come back. Talk
9 to me about the failure to file the documents
10 in a timely manner.

11 MR. WHITE:

12 Just say, 2019, when we incurred the
13 first significant dip, we reorganized the
14 company. And that's at the period that I
15 became -- I was actually was promoted to
16 President at the end of 2018 -- sorry, 2019.
17 And in 2020, as we reorganized the company, we
18 got into the COVID situation, had some people
19 working from home and things of that nature.
20 And, unfortunately, and I apologize for that,
21 this fell through the cracks.

22 CHAIRMAN JONES:

23 Now, all the reports have been filed now;
24 although, not timely?

25 MR. USIE:

1 Yes, '19 and '20 have been filed. 2021
2 also has been filed, but it hasn't been
3 completed for that one year, but all three
4 required have been filed.

5 MR. WHITE:

6 Okay. To make sure that we stay
7 in compliance, we've hired William Shockey of
8 Shockey and Associates here in Baton Rouge to
9 ensure that we stay in compliance with this
10 program.

11 CHAIRMAN JONES:

12 Okay.

13 MR. SHOCKEY:

14 And my computer is set to light up like a
15 Christmas tree any time there's a deadline
16 looming under this.

17 MR. WHITE:

18 Trust me, it does.

19 CHAIRMAN JONES:

20 I hear -- we hear at this Board level a
21 lot of times that filings fall between the
22 cracks, and I'm sympathetic to that on the one
23 hand. And on the other hand in today's world,
24 I'm having a real hard time understanding how
25 diaries don't work, but I'm glad to know that

1 you've implemented the system now to,
2 hopefully, optimize the opportunity to have
3 timely filings from this point forward.

4 MR. WHITE:

5 Yes, sir. One of the other things I'd
6 like to just point out that we didn't talk
7 about, you know, and I've sat through your
8 June meetings and things of that nature, and
9 one of the common things that I've heard was
10 the difficulty in hiring new employees. And I
11 would agree, it's been very difficult,
12 especially during the COVID period. We try to
13 be as progressive and proactive in that stance
14 as possible, so we talk with a number of
15 people in the local area -- communities and a
16 number of our contract agencies and things of
17 that nature, and I worked with them to come up
18 with a new starting wage scale. And,
19 effectively, August 1st, we did raise our
20 starting rates approximately 14 and a half
21 percent -- or I'm sorry, 13 and a half percent
22 in trying to make our employment at Kerotest
23 the place to be and for that to be a
24 destination for future employees. So we've
25 tried to be very aggressive and proactive in

1 trying to attract new employees.

2 CHAIRMAN JONES:

3 Is your manufacturing schedule 24/7?

4 MR. WHITE:

5 Yes, it is.

6 CHAIRMAN JONES:

7 So you have, literally, three shifts
8 working around the clock.

9 MR. WHITE:

10 Yes, we do.

11 CHAIRMAN JONES:

12 And are you -- has that become an issue
13 filling certain shifts?

14 MR. WHITE:

15 Yes, it has.

16 CHAIRMAN JONES:

17 Now, I'm just getting curious more than
18 anything.

19 MR. WHITE:

20 No. No, it is a big issue. And I think
21 if you talk to anybody trying to hire
22 employees today, it is a major issue for
23 people.

24 CHAIRMAN JONES:

25 Well, and one of the things I think we're

1 about to face is, obviously, you're trying to
2 solve the problem with higher wages, and I'm
3 not sure that's going to solve the problem for
4 some people. I think for a certain populace,
5 we are work life balance and work habits are
6 becoming more of an issue than paying the
7 bills.

8 MR. WHITE:

9 We understand that. We also provide a
10 full benefit program for our employees, as
11 well as the ESOP program, which doesn't
12 require any contributions from an employee.
13 It's a great way to view future wealth.

14 CHAIRMAN JONES:

15 All right.

16 MR. SHOCKEY:

17 Right. And, Chris, you had mentioned
18 that the shift work was a reason for having
19 the 90 days of contracts.

20 MR. WHITE:

21 Yes, one of the reasons we do bring
22 people in this contract again is, you know, as
23 you indicated, a 24/7 hour operation, people
24 may come in and find out, yeah, I'd like to
25 work in a manufacturing environment; but then

1 they start working on a second or third shift
2 and you find out that it's not always the
3 greatest cup of tea in the world.

4 CHAIRMAN JONES:

5 Yes, indeed. Well, I sympathize with the
6 issues that you're dealing with. It's up to
7 this Board to determine whether or how you
8 should be penalized for the noncompliance.
9 Now, the only local body that we've heard from
10 is the School Board and they deferred to the
11 Board, but they were positive comments in
12 their letter; is that correct?

13 MR. USIE:

14 It stated approved a recommendation to
15 LED to take no action against Kerotest and
16 defer to BC&I.

17 CHAIRMAN JONES:

18 So take no action and defer are two
19 different -- all right.

20 MR. USIE:

21 That's how they worded it.

22 CHAIRMAN JONES:

23 Well, that's a little bit of a mixed
24 signal, but I think I understand what they're
25 trying to say. And then the Sheriff and the

1 Police Jury municipality simply did not
2 respond. Have you had any conversation with
3 the locals?

4 MR. WHITE:

5 We have not. No, we have not.

6 CHAIRMAN JONES:

7 All right. Ladies and Gentlemen, what's
8 the pleasure of the Board?

9 MR. MOLLER:

10 I think one quick clarification, if I
11 may? And I appreciate that you've raised
12 salaries.

13 MR. WHITE:

14 Sure.

15 MR. MOLLER:

16 But on our agenda here, if you could
17 clarify the relationship between the number of
18 jobs and the salaries, because it says 170
19 jobs and 317,000 something in salaries, which
20 comes to a very low figure. If you just --

21 MR. WHITE:

22 That, I'd have to go back and verify
23 that, but that doesn't sound right at all.

24 MR. USIE:

25 I can clarify it, if you need. The 170

1 is meant to encompass the retained jobs and
2 the new jobs. So retain meaning the jobs
3 existing prior to the project starting and
4 that was 155, and that payroll would be
5 \$4,085,906 -- no, \$4,468,000 for the 155, and
6 then they were to create 15 new jobs held to
7 the \$317,445 in payroll.

8 MR. MOLLER:

9 Okay. Thank you.

10 CHAIRMAN JONES:

11 Okay. Thank you for that, Mr. Moller.
12 Any other questions, Mr. Moller?

13 Any other questions from the Board? So
14 what is the pleasure of the Board? It is time
15 for a motion. We can take no action, allow
16 the matter to move forward, or we can penalize
17 as appropriate.

18 MR. MOLLER:

19 Remind me how we've handled these in the
20 past.

21 CHAIRMAN JONES:

22 I mean the world is our oyster pretty
23 much, so we can be as creative as we wish to
24 be. We have penalized a year, you know, we've
25 penalized -- I don't think we've ever

1 penalized more than a year. For the most
2 part, I don't think we've -- have we penalized
3 anybody yet?

4 MS. CHENG:

5 We --

6 CHAIRMAN JONES:

7 I'm sorry, Ms. Cheng?

8 MS. CHENG:

9 I think we've taken some years from --

10 CHAIRMAN JONES:

11 Forgive me, I should have all this at the
12 tip of my --

13 MS. CHENG:

14 Oh, we have also canceled contracts.

15 CHAIRMAN JONES:

16 I know we've canceled some contracts.
17 So, again, you can be as Draconian as you wish
18 or as generous as you wish.

19 MR. MOLLER:

20 I'm sympathetic to paperwork snafus, but
21 I think a year penalty would be warranted, and
22 that would be my motion.

23 CHAIRMAN JONES:

24 We have a motion for approve the --
25 excuse me, let the contract continue but with

1 a one-year penalty. Do we have a second?

2 MS. CHENG:

3 I just want to clarify, that's off of the
4 initial contract?

5 MR. MOLLER:

6 Yeah.

7 CHAIRMAN JONES:

8 Yes.

9 MS. CHENG:

10 Okay.

11 CHAIRMAN JONES:

12 So we have a motion for a one-year
13 penalty on the initial contract. Do we have a
14 second?

15 Motion dies for lack of a second.

16 Do we have a substitute motion or an
17 alternative motion?

18 SENATOR REESE:

19 Mr. Chairman?

20 CHAIRMAN JONES:

21 Yes, Senator Reese?

22 SENATOR REESE:

23 I'd be glad to make the motion that we
24 defer action on this item and take no penalty
25 on the continuous of the contract for Kerotest

1 Manufacturing. Very appreciate of the work
2 they've done to regain their footing there --

3 MR. WHITE:

4 Thank you.

5 SENATOR REESE:

6 -- and a very important employer in
7 Avoyelles Parish.

8 CHAIRMAN JONES:

9 So you want to defer action?

10 SENATOR REESE:

11 Yeah, take no action, take no penalty.

12 CHAIRMAN JONES:

13 Take no -- not defer action, but take no
14 action?

15 SENATOR REESE:

16 Okay. I covered about ten pieces of
17 terminology there in that motion, I think. So
18 I --

19 CHAIRMAN JONES:

20 Can I pick which one I like?

21 SENATOR REESE:

22 Pick the one most appropriate.

23 CHAIRMAN JONES:

24 All right. So we have a motion to take
25 no action on these two Kerotests. We have a

1 motion; we have a second from McQuain. Any
2 other questions or comments from the Board?

3 Hearing none, any comments from the
4 public?

5 Hearing none, all in favor, say aye.

6 (AYES BY ALL)

7 CHAIRMAN JONES:

8 Any opposition?

9 There is none. The motion carries. Take
10 no action. Thank you.

11 MR. WHITE:

12 All right. Thank you very much.

13 CHAIRMAN JONES:

14 Thank you. Appreciate you being here.
15 Thank you for what you're doing for Avoyelles
16 Parish.

17 MR. WHITE:

18 We appreciate it.

19 MS. CHENG:

20 We have Contracts 20180120 and
21 20180120-A, Reliant Technologies, Incorporated
22 in West Baton Rouge. These two Contracts,
23 20180120 was noncompliant for recording
24 periods 2019 and 2020; and 20180120A was
25 noncompliant for reporting period 2020. They

1 were required to create three jobs with
2 \$100,000 in payroll.

3 For 20180120, the 2019 reporting year,
4 the actual jobs created was one job and
5 \$17,687 in payroll, and it was filed late.
6 20180120 for 2020, they created zero jobs with
7 \$56,001 in payroll; and for 20180120A for the
8 2020 reporting year, they created zero jobs
9 with \$56,001 in payroll. The School Board,
10 Sheriff did not respond and the Parish Council
11 did submit a resolution stating that it defers
12 decisions to the Board of Commerce and
13 Industry but attached comments: We have met
14 with Reliant Technologies and do not
15 understand the difference in the reports that
16 have been submitted and the numbers that LED
17 is showing. It is our belief that Reliant
18 Technologies, while late on reporting, have
19 met the jobs and salary requirements agreed
20 upon for the above-referenced contracts. In
21 summary, West Baton Rouge Parish Government
22 defers action on the company's noncompliance
23 in accordance with Section 6.0184, and request
24 that no punitive damages be assessed at this
25 time and no further action be taken.

1 CHAIRMAN JONES:

2 Okay. Before we move forward, I'm trying
3 to understand these numbers. I'm kind of like
4 where Mr. Moller was on understanding the jobs
5 versus salaries. I can understand one job
6 creating a salary of \$17,000. I don't
7 understand creating no jobs at a salary of
8 \$56,000.

9 MS. CHENG:

10 Jobs had to be backfilled on the baseline
11 and there were still jobs that were eligible
12 for the salary to be counted towards the new
13 jobs, but there weren't any new jobs.

14 CHAIRMAN JONES:

15 So there weren't --

16 MS. CHENG:

17 They created new jobs, but they had to
18 use them to backfill their baseline.

19 CHAIRMAN JONES:

20 Oh, okay. I'm with you. I'm with you.
21 So there were new people brought in, but they
22 were filling holes in their old employment
23 numbers?

24 MS. CHENG:

25 Yes, sir.

1 CHAIRMAN JONES:

2 Okay. Do we have someone here from
3 Reliant?

4 MR. HUGGINS:

5 Yes.

6 CHAIRMAN JONES:

7 Thank you, sir. Please state your name
8 and your position with the company.

9 MR. HUGGINS:

10 Good morning. I'm Barry Huggins. I'm
11 the CEO and I guess you can say Chief Cook and
12 Bottle Washer for Reliant Technologies.

13 CHAIRMAN JONES:

14 First of all, tell me what you all do.
15 What do you all make?

16 MR. HUGGINS:

17 We're a small specialty chemical
18 manufacturer in West Baton Rouge.

19 CHAIRMAN JONES:

20 Okay.

21 MR. HUGGINS:

22 And several years ago, I come up with a
23 concept of some very unique specialty drilling
24 fluid additives. In fact, I even had a long
25 conversation Mr. Pierson about it. And I

1 think his comment at the time was, if you can
2 get this off the ground, you're exactly what
3 we would like to see in Louisiana because we
4 make products here, and almost all of them are
5 sold somewhere else. So we're bringing money
6 from not just outside the state, but outside
7 the country into Louisiana.

8 It took us several years to get the
9 project off the ground and we were successful
10 in being able to do that; got it off the
11 ground, constructed the expansion to do this
12 work, hired the people. I have no idea where
13 they come up with no new jobs. We filed --
14 I've got copies of the reports that we filed.
15 In one year, we've had, certainly had three
16 new jobs. We've got six new people working
17 now that are involved with this project. My
18 wife has called several times to try to
19 understand where they come up with these
20 numbers; never get a returned phone call.

21 Anna, who is the head of the West Baton
22 Rouge Chamber of Commerce has called to try to
23 help to resolve it. She was told to file a
24 public records request. So we don't
25 understand how they've come up with this and,

1 you know, we've paid way more than we've
2 agreed to pay. I mean I presented these
3 numbers to the Parish Council, presented them
4 to the School Board, talked to the Sheriff.
5 Of course, he's happy with me because I
6 donated a forklift to him, but I just don't
7 know what else we could do. And I don't know
8 why we're in noncompliance, except for the
9 reports; and yes, sir, we didn't file those
10 reports and we were not aware that we were
11 supposed to. As soon as we were made aware of
12 it, the reports were filed and then we have
13 filed reports for subsequent years.

14 And I've been over this with the Council,
15 I've talked to Mayor Toups. I think Mayor
16 Toups talked to the Parish President and the
17 School Board President yesterday, and as the
18 Council sent a resolution with a comment
19 letter asking that the Board take no action.
20 I don't know why we're being held and about
21 the jobs thing. I mean, we did it exactly
22 what we told -- the representations we made
23 were to the Council and to the School Board,
24 and we did exactly what we told them we would
25 do. In fact, we've exceeded that. So I would

1 ask that the Board take no action on us and
2 let us go back to making product and trying to
3 sell stuff so we can make some money and pay
4 some more taxes.

5 CHAIRMAN JONES:

6 Let me ask you this, Mr. Huggins.

7 MR. HUGGINS:

8 Yes?

9 CHAIRMAN JONES:

10 Who was filing the reports for you?

11 MR. HUGGINS:

12 I'm sorry?

13 CHAIRMAN JONES:

14 Who was preparing and filing the reports
15 for you?

16 MR. HUGGINS:

17 My wife. We're little guys, Mr. Jones.

18 CHAIRMAN JONES:

19 I understand that. That's what I'm
20 trying to wrap my head around.

21 MR. HUGGINS:

22 I wish we could afford a consultant,
23 but...

24 CHAIRMAN JONES:

25 I'm with you. I'm with you. All right.

1 Any other comments from Ms. Cheng or Hud? Any
2 comments from you guys on this?

3 Okay. All right. Mayor Toups?

4 MAYOR TOUPS:

5 Yesterday, I did have conversations. I
6 got in touch with the Parish Government, which
7 also has a representative of the School Board
8 because I wanted to clarify what their
9 resolution was and the document that was. And
10 in my understanding with them and to clarify,
11 they did state they would want no action to be
12 taken, no penalties should be put on this. So
13 at the proper time, I will make a motion to
14 approve without penalties.

15 MR. NASSAR:

16 I'll second.

17 CHAIRMAN JONES:

18 Just one second. Secretary Pierson?

19 SECRETARY PIERSON:

20 Just to bring some further clarity to
21 this, because on the surface, it can sound
22 confusing. But over to Staff, the number
23 you're evaluating when you say no new jobs is
24 a no new net jobs in the picture. So if the
25 new operation is successful and is employing

1 more people, but the older technology and the
2 older product is causing layoffs, that's the
3 circumstance that we're trying to evaluate
4 here; am I correct to the Staff?

5 MS. CHENG:

6 Yes, sir, they had to be active at the
7 end of the year. So it is net. You have to
8 backfill the jobs that are lost.

9 MR. HUGGINS:

10 Mr. Pierson, we had no jobs lost. Before
11 we started the project, we had three
12 employees. At the end of the first year that
13 we reported, we had six. Now, we have got
14 nine.

15 SECRETARY PIERSON:

16 So, typically, the way we would document
17 our files is working with the Department of
18 Revenue --

19 MR. HUGGINS:

20 Absolutely.

21 SECRETARY PIERSON:

22 -- and call out the appropriate payroll
23 records that we have access to. So this is
24 how we typically evaluate by year your number
25 of employees and --

1 MR. HUGGINS:

2 I understand.

3 SECRETARY PIERSON:

4 -- and calculations.

5 MR. HUGGINS:

6 I understand and that's exactly what I
7 would have expected to happen. And I can --
8 I've got 941s and W2s to back this up. I mean
9 I didn't bring it with me this morning because
10 I didn't think we'd want to sit here and go
11 over that stuff.

12 SECRETARY PIERSON:

13 It sounds like we might need some more
14 time to bring further clarity to the Board on
15 this. We wouldn't want to unfairly penalize
16 you, but we're in a contractual relationship
17 where, you know, what we have laid out
18 internally indicates this outcome here. But
19 if it's not correct, I would be an advocate
20 for saying you have more of an opportunity to
21 clarify and help us better understand your
22 position.

23 MR. HUGGINS:

24 I would be happy to do that. And I would
25 point out to you that everybody makes

1 mistakes, and I suggest that LED simply made a
2 mistake. And we've tried to clarify that, but
3 we've trouble with communication.

4 CHAIRMAN JONES:

5 All right. Mayor Toups, you want to make
6 a motion?

7 MAYOR TOUPS:

8 I do want to continue with my motion.

9 CHAIRMAN JONES:

10 Okay. So we have a motion to take no
11 further action on these three Reliant
12 Technology contracts. Is there a second? We
13 have a second from Mr. McInnis. Any comments
14 or questions from the Board?

15 Hearing none, any comments from the
16 public?

17 Hearing none, all in favor, say aye.

18 (AYES BY ALL)

19 CHAIRMAN JONES:

20 Any opposition?

21 There is none, the motion carries. Thank
22 you.

23 MR. HUGGINS:

24 Thank you.

25 CHAIRMAN JONES:

1 All right. Next?

2 MR. USIE:

3 Next, we're moving on to Noncompliant
4 Contracts that follow the 2018 ITEP Rules.
5 The first contract is Number 20190003A for C&C
6 Marine and Repair, LLC in Plaquemines Parish.
7 They are noncompliant for the 2020 reporting
8 period. The Exhibit A for the contract
9 requires the company create and maintain 26
10 jobs with \$575,000 in payroll. The actual
11 jobs created was 19 with \$775,868 in payroll.
12 The company is noncompliant due to the jobs
13 not being met only. The Parish denied the
14 initial exemption at the time of the
15 application. Therefore, it is not applicable.
16 The School Board submitted a letter stating
17 they will defer to the Board of Commerce and
18 Industry on the matter, and no response was
19 received from the Sheriff.

20 CHAIRMAN JONES:

21 Okay. Is someone here from C&C Marine?
22 Good morning. State your name and your
23 position with the company, please.

24 MS. MARCEL:

25 Hi, I'm Lisa Marcel, C&C Marine. I'm the

1 Controller.

2 CHAIRMAN JONES:

3 Right.

4 MS. MARCEL:

5 And we fabricate barges, offshore supply
6 vessels, and towboats and dredges.

7 CHAIRMAN JONES:

8 Great.

9 MS. MARCEL:

10 And, first, I'd like to thank Hud and
11 Kristin because they are phenomenal to work
12 with. We retained our baseline of 97. We
13 actually hired four people; but,
14 unfortunately, they did not stay with us
15 throughout the whole year, so they did not
16 count. And one lives in Mississippi, so he
17 did not count. We exceeded the payroll by
18 \$200,868.32 in 2020. Unfortunately, with
19 COVID proved to be a very hard time for us.

20 In 2021, we did meet the goal. And as of
21 right now, we are trying to work with the
22 locals to actually amend Exhibit A to get the
23 jobs decreased because we're still having
24 trouble to hire the goal of 26, but we have
25 job postings on LA Works, Indeed, and social

1 media. We're trying our best, but we are
2 still being affected by COVID as with most
3 businesses.

4 CHAIRMAN JONES:

5 And is your operation a 24/7 operation?

6 MS. MARCEL:

7 No, but we do have a night crew.

8 CHAIRMAN JONES:

9 Yeah. So you have two shifts?

10 MS. MARCEL:

11 Yes.

12 CHAIRMAN JONES:

13 Okay. And is it seven days a week?

14 MS. MARCEL:

15 Yes.

16 CHAIRMAN JONES:

17 Okay. And how are you --

18 MS. MARCEL:

19 And this is the first time that we have
20 not met annual compliance.

21 CHAIRMAN JONES:

22 How are you able to increase the salary
23 with the reduced number of employees? Were
24 you paying -- the salary numbers are being
25 counted for the guy that lives in Mississippi

1 or --

2 MS. MARCEL:

3 Yes.

4 CHAIRMAN JONES:

5 Okay. Okay.

6 MS. MARCEL:

7 Yes.

8 CHAIRMAN JONES:

9 So that's how we're doing it.

10 MS. MARCEL:

11 Right.

12 CHAIRMAN JONES:

13 And you're meeting the numbers with even
14 the people who did not stay for the entire
15 year?

16 MS. MARCEL:

17 Correct.

18 CHAIRMAN JONES:

19 Okay.

20 MS. MARCEL:

21 And as of today, we have 131 employees.

22 CHAIRMAN JONES:

23 All right. Okay. And everything was
24 otherwise filed timely; correct?

25 MS. MARCEL:

1 Correct. And we do not have a high
2 turnover rate.

3 CHAIRMAN JONES:

4 Okay. Good. Thank you very much.

5 MS. MARCEL:

6 Thank you.

7 CHAIRMAN JONES:

8 Do we have a motion? Do we have a
9 motion? We can take no action, we can
10 penalize.

11 DR. WILSON:

12 What is the penalty?

13 CHAIRMAN JONES:

14 Well, it can be anything you want it to
15 be. They're off by seven jobs. You could
16 penalize them one year. You could -- one
17 thing we have done before is we have put off
18 the penalty determinations until the renewal.

19 MS. MARCEL:

20 And we have been participating -- we have
21 been in business since 1997, and I think we've
22 been participating in the program since 2003,
23 Hud, if I remember correctly?

24 CHAIRMAN JONES:

25 Okay. We have a motion from Dr. Wilson

1 no action be taken. I have a second from
2 Mr. Slone. We have a motion and a second to
3 take no further action. Any comments or
4 question from the Board?

5 Any comments from the public?

6 Hearing none, all in favor, say aye.

7 (AYES BY ALL)

8 CHAIRMAN JONES:

9 Any opposition?

10 There is none, the motion carries. Thank
11 you.

12 MS. MARCEL:

13 Thank you.

14 CHAIRMAN JONES:

15 Appreciate you being here.

16 Next?

17 MR. USIE:

18 Next, we have one contract, Number
19 20170188 for Community Coffee Company, LLC in
20 West Baton Rouge Parish. They are
21 noncompliant for the 2020 reporting period.
22 The Exhibit A for the contract requires the
23 company maintain 484 jobs statewide with
24 \$31,050,000 in payroll. The actual jobs
25 maintained was 458 jobs with \$37,841,427 in

1 payroll. The company is noncompliant due to
2 the jobs not being met only. No response was
3 received from the School Board and the Sheriff
4 regarding noncompliance. However, the Parish
5 Council submitted a resolution deferring to
6 the Louisiana Board of Commerce and Industry
7 with the following comments: We are in
8 receipt of the above referenced noncompliance
9 letters for the years indicated. In
10 accordance with Section 601 B4, we are
11 requesting no punitive action be taken against
12 Community Coffee, LLC at this time. We have
13 met with Community Coffee and understand that
14 a shortfall in jobs created and jobs retained
15 was directly impacted by COVID-19. Community
16 Coffee also exceeded the payroll required in
17 total. In summary, West Baton Rouge Parish
18 Government defers action on the Company's
19 noncompliance in accordance with Section 601
20 B4 and request that no punitive damage be
21 assessed at this time.

22 CHAIRMAN JONES:

23 Someone here from Community Coffee?
24 State your name and your position with the
25 company, please.

1 MS. VACCARO:

2 Good morning. I'm Annette Vaccaro, I'm
3 the CFO with Community Coffee.

4 CHAIRMAN JONES:

5 Thank you.

6 MS. MILLER:

7 I'm Renee Miller, Tax Manager of
8 Community Coffee.

9 CHAIRMAN JONES:

10 Pull the mic a little bit closer, please.

11 MS. MILLER:

12 Renee Miller, Tax Manager for Community
13 Coffee.

14 CHAIRMAN JONES:

15 Okay. Tell us what's going on.

16 MS. VACCARO:

17 In this particular contract, like you've
18 heard in some other cases, COVID-19 had a
19 significant impact on the business. And
20 because of that, we were not able to hit the
21 job target that was listed in the contract.
22 As we mentioned, we did exceed payroll by
23 \$6 million, 22 percent, but the jobs were not
24 met.

25 You know, Louisiana is our home base.

1 This is where our home office is. This is
2 where the majority of our employees are. We
3 have 510 employees in the state currently,
4 which does exceed the original contract at 484
5 employees. So we have been able to make some
6 recovery. And because of that, we are now
7 going to exceed that original number of
8 employees.

9 CHAIRMAN JONES:

10 All right. When did you see numbers
11 start coming up back up, about what time
12 frame?

13 MS. VACCARO:

14 We were probably borderline in 2021.
15 It's really been in 2022 where we've picked it
16 back up, and we think it's going to grow from
17 there. We're continuing to hire on top of
18 that 510 that we currently have.

19 CHAIRMAN JONES:

20 Okay. All right. And the only comment
21 we've had is from the Police Jury?

22 MR. USIE:

23 Parish Council.

24 CHAIRMAN JONES:

25 Parish Council, excuse me, that said take

1 no action?

2 MR. USIE:

3 Right.

4 CHAIRMAN JONES:

5 Right. All right. Any motion from Mayor
6 Toups? Motion to approve or a motion for no
7 further action?

8 MAYOR TOUPS:

9 Exactly. Yes.

10 CHAIRMAN JONES:

11 Second from Ms. Cola or you have a
12 question?

13 MS. COLA:

14 No.

15 CHAIRMAN JONES:

16 Second from Ms. Cola. Any questions or
17 comments from the Board?

18 Any comments from the public?

19 Hearing none, all in favor, say aye.

20 (AYES BY ALL)

21 CHAIRMAN JONES:

22 Any opposition?

23 There is none. The motion carries.

24 Thank you very much.

25 MS. VACCARO:

1 Thank you. And I thank you for the
2 opportunity to participate, and LED has been
3 very helpful and West Baton Rouge Parish and
4 all the parties involved. Really appreciate
5 the support.

6 CHAIRMAN JONES:

7 Right. Keep making coffee. We need it.

8 All right. Next?

9 MR. USIE:

10 Next, we have one contract, Number
11 20170588 for Dependable Glassworks in St.
12 Tammany Parish that is noncompliant for the
13 2019 and 2020 reporting periods. The Exhibit
14 A for the contract requires the company create
15 and maintain four jobs with \$120,000 in
16 payroll. The actual jobs created and
17 maintained for 2019 was six jobs with \$133,529
18 in payroll. However, the filing was late. It
19 was due August 23rd, 2020, but not received
20 until 8/12 of 2021. The actual jobs created
21 and maintained for 2020 was four jobs with
22 \$140,943 in payroll. The filing was late. It
23 was due April 30th, 2021, but not received
24 until August 12th of 2021. All four locals,
25 the Parish Council, the School Board, the

1 Sheriff, and the City of Covington all
2 responded with recommendations to defer to the
3 Board.

4 CHAIRMAN JONES:

5 Do we have someone here from Dependable
6 Glassworks? Please state your name and your
7 position in the company, please.

8 MR. NICKENS:

9 Jake Nickens with St. Tammany
10 Corporation. We're the Economic Development
11 Office for St. Tammany, and I'm actually here
12 on the Company's behalf. They've provided me
13 with a letter they wish me to read into the
14 record.

15 CHAIRMAN JONES:

16 Okay.

17 MR. NICKENS:

18 This is from Tosha Jakes, the Finance
19 Manager. To the Board of Commerce and
20 Industry: I want to apologize for our
21 inability to attend today's meeting in person.
22 We are a small business with a demanding
23 schedule that occasionally does not allow for
24 flexibility. With that being said, we
25 appreciate your consideration regarding our

1 ITEP project and want to offer a brief
2 explanation for the late filing of our 2019
3 and 2020 annual reports.

4 In 2021, our Plant and Operations
5 Manager, Jill Foxworth became very ill, and
6 due to prolonged complications from COVID-19,
7 tragically passed away the same year. Among
8 many other responsibilities, the management of
9 the ITEP incentive, including reportings were
10 handled solely by Ms. Foxworth. When I
11 stepped into the role of Finance Manager in
12 late '21 and became aware of the lapse, we
13 connected with our local Economic Development
14 organization, and with their assistance, got
15 caught up on the previous year's annual
16 reports. We now have protocols in place to
17 make sure that timely reporting is no longer
18 an issue.

19 As I mentioned, we are a relatively small
20 company. And when a team member as critical
21 as Ms. Foxworth is lost, there is a
22 substantial personal and operational impact.
23 We regret the delay in addressing this issue,
24 but our confidence, it will not be a problem
25 moving forward. In light of these events, we

1 respectfully request no penalizing action be
2 taken for these two years in question.

3 CHAIRMAN JONES:

4 Okay.

5 MR. NICKENS:

6 And as she mentioned, our office did get
7 contacted by a lady actually whenever there
8 was trouble reaching Ms. Foxworth about the
9 compliance issue. And I know there's a
10 gentleman that referenced the computer
11 lighting up like a Christmas tree whenever
12 there's a protocol reminder, and we have the
13 same computer now. So I'm confident that
14 between our office as well as Dependable
15 Glass's new Finance Manager, we'll be able to
16 get everything in on time moving forward.

17 CHAIRMAN JONES:

18 How many total employees do they have?

19 MR. NICKENS:

20 Thirty-six.

21 CHAIRMAN JONES:

22 All right. So we have two contracts that
23 were filed late due to a death in the office.
24 What is the pleasure of the Board?

25 MR. NASSAR:

1 I move that we take no action on this.

2 CHAIRMAN JONES:

3 A motion from Mr. Nassar, no action;
4 second from Mr. Slone. Any comments or
5 questions from the Board?

6 Hearing none, any comments from the
7 public?

8 Hearing none, all in favor, say aye.

9 (AYES BY ALL)

10 CHAIRMAN JONES:

11 Any opposition?

12 Hearing none, the motion carries. Thank
13 you very much.

14 MR. NICKENS:

15 Thank you.

16 CHAIRMAN JONES:

17 I appreciate you being here.

18 MR. USIE:

19 Next, we have two contracts, Number
20 20180149 and Number 20180149-A for Diversified
21 Foods & Seasonings, LLC in St. Tammany Parish
22 that are noncompliant for the 2019 and 2020
23 reporting periods. The Exhibit A for both
24 contracts requires the company create and
25 maintain 44 jobs with \$1,000,245 -- \$1,245,200

1 in payroll for the 2019 and 2020 reporting
2 periods. The actual jobs created for 2019 was
3 41 jobs with \$1,120,357 in payroll. The
4 actual jobs created for 2020 was 21 jobs with
5 \$414,345 in payroll. All three locals, the
6 Parish Council, the School Board, and the
7 Sheriff all responded with recommendations to
8 defer to the Board.

9 CHAIRMAN JONES:

10 Do we have someone here from Diversified
11 Foods? State your name and your position with
12 the company, please.

13 MR. LEONARD:

14 Good morning, Board. My name is Jimmy
15 Leonard with Advantous Consulting. Mr. Darren
16 James, Senior Director of Manufacturing for
17 Diversified Foods was going to be here today.
18 He had a medical matter that occurred late
19 yesterday, so he sent me a statement to read
20 to the Board, if I may?

21 CHAIRMAN JONES:

22 Please.

23 MR. LEONARD:

24 Chairman, Members of the Board, thank you
25 for this opportunity to speak regarding

1 Diversified Foods Seasonings jobs and payroll
2 noncompliance for contracts 20180149-ITE and
3 20180149-A ITE. First, a little background on
4 our company and operations. We are a legacy
5 firm and leading manufacturer and local St.
6 Tammany Parish business partner operating in
7 the community for the last 35-plus years. At
8 our Madisonville facility, we produce a number
9 of soups, sauces, and sides for our
10 restaurant, retail, and industrial customers.
11 You may best know us as the largest supplier
12 to Popeyes Louisiana Chicken with an exclusive
13 supply contract running through 2034.

14 Due to this contract, we are in the midst
15 of a Phase II \$30 million expansion, which is
16 a tremendous benefit to the Parish economy.
17 Incentive programs such as ITEP have been and
18 continue to be an important factor in
19 investment decisions of this magnitude. In
20 addition, Diversified Foods & Seasonings
21 contributes over \$17 million in payroll taxes
22 and expenditures to local economies every
23 year.

24 As with many businesses throughout our
25 state and local communities, Diversified Foods

1 was impacted significantly by the COVID-19
2 Pandemic and its associated impacts. For
3 starters, the restaurant industry downturn and
4 widespread closures resulted in manufacturing
5 production reduction and financial losses.
6 Even more devastating to our business
7 operations were mass employee resignations in
8 the absence of new qualified applicants that
9 was partly due to government assistance
10 programs. It is extremely important to note
11 that our employment downturn was not due to
12 any company mandated workforce reduction nor
13 salary cuts.

14 In fact, we actively sought to replace
15 employees as soon as possible. We utilize
16 recruiting services, job fairs, secondary
17 schools, trade schools, online job postings,
18 advertising, and employee referral incentives.
19 We have implemented sign-on bonuses and
20 increased our base wage in an attempt to
21 attract qualified candidates. We are also
22 requiring overtime hours and utilized contract
23 labor to fill the gap of employment.

24 Due to this void, the Company currently
25 has a significant financial burden due to the

1 need to rely heavily on expensive extra help.
2 Despite our best efforts, we are still
3 struggling to find and hire additional
4 qualified employees to fill our open
5 positions. We are asking that this Board
6 grant us grace for these three noncompliance
7 items as we continue to regain our footing.
8 Sincerely, Darren James, Senior Director of
9 Manufacturing, Diversified Foods & Seasonings.

10 CHAIRMAN JONES:

11 I have a question. I should know the
12 answer to this question, but I don't. And so
13 we've got two contracts here, essentially.
14 The 44 jobs that were to be brought in for
15 20180149 versus the 44 jobs for 2018149-A, is
16 that 44 plus 44 or is this all the same one?

17 MR. USIE:

18 They are the same reporting requirements,
19 total being 44.

20 CHAIRMAN JONES:

21 Okay. For both contracts?

22 MR. USIE:

23 It's one project, just that assets were
24 placed into service in different calendar
25 years indicating the phase.

1 CHAIRMAN JONES:

2 Okay. Thank you. Thank you. So I guess
3 then my question becomes, why did -- why did
4 the 41 jobs and the 21 jobs, how did -- how is
5 the actual jobs different?

6 MR. USIE:

7 So the A Contract indicates a phase of
8 assets that were placed into service prior to
9 the overall project being complete. So when
10 those assets were being exemptible, it
11 initiated the contract reporting requirements
12 to be submitted. So that's why the A Contract
13 has two reporting periods and the main number
14 does not. Next year and all the remaining
15 years, both contracts will have the same
16 reporting requirements.

17 CHAIRMAN JONES:

18 Because what I'm trying to understand
19 here, it looked like in 2019, they were at 41,
20 still short of the 44.

21 MR. USIE:

22 Right.

23 CHAIRMAN JONES:

24 And 2019 was pre-COVID.

25 MR. USIE:

1 Correct.

2 CHAIRMAN JONES:

3 So I'm sensitive to the COVID argument,
4 but I don't understand its application to that
5 contract. Because 2019, they still had a
6 44-job requirement, and I haven't heard why
7 that is. I would like to drill down into
8 that. So I'm going to recommend or ask the
9 Board to defer action on this one to give
10 Mr. James or somebody from the company an
11 opportunity to be here at the next meeting to,
12 let's walk through that a little bit because
13 that -- I understand COVID, but not in 2019.

14 So we have a motion from Mr. Slone;
15 second from Dr. Wilson to defer to the next
16 meeting. Any questions or comments from the
17 Board?

18 Any comments from the public?

19 Hearing none, all in favor, say aye.

20 (AYES BY ALL)

21 CHAIRMAN JONES:

22 Any opposition?

23 There is none, the motion carries. Those
24 three contracts are deferred.

25 All right. Next?

1 MR. USIE:

2 Next, we have two contracts, number
3 20170492 and Number 20170492-A for Louisiana
4 Sugar Cane Cooperative, Inc. in St. Martin
5 Parish that are noncompliant for the 2019 and
6 2020 reporting periods. And I'd just like to
7 state, unlike the previous one for
8 Diversified, this one has two contracts, but
9 they do not share an Exhibit A agreement. So
10 both contracts have different Exhibit A
11 requirements that I'm going to read out loud.

12 CHAIRMAN JONES:

13 So they're cumulative. All right. Okay.
14 Got it. Thank you for that.

15 MR. USIE:

16 The Exhibit A for Contract 20170492
17 requires the company create and maintain 20
18 jobs with \$1,650,000 in payroll for the 2019
19 and 2020 reporting periods. The actual jobs
20 created for 2019 was 20 jobs with \$1,334,393
21 in payroll. The reason for the noncompliance
22 is due to the payroll not being met, and there
23 was also a late filing. The compliance was
24 due August 23rd of 2020, but not received
25 until July 28th of 2021. The actual jobs

1 created for the 2020 reporting period for
2 Contract 20170492 was 19 jobs with \$1,229,799
3 in payroll. The reason for the noncompliance
4 is due to the payroll not being met and the
5 late filing. The compliance was due -- the
6 compliance was due April 30th of 2021 for both
7 contracts but not received until July 28,
8 2021.

9 The Exhibit A for Contract 20170492-A
10 requires the Company to create and maintain
11 six jobs with \$222,850 in payroll. The actual
12 jobs created was zero jobs and \$0 in payroll.
13 The filing was also late. It was due
14 April 30th of 2021 and received February 8th
15 of 2022. The Parish submitted recommendations
16 for both contracts and all reporting periods
17 that the Louisiana Board of Commerce and
18 Industry adopt no remedial action for the
19 alleged violations. No response was received
20 from the School Board, and the Sheriff
21 submitted a letter stating, I have made a
22 decision to take no action and enforce no
23 penalties for these violations. I trust that
24 the Board will respect and approve my
25 recommendation.

1 CHAIRMAN JONES:

2 Okay. Anyone here from the Louisiana
3 Sugar Cane Cooperative? Please state your
4 name and your position with the company,
5 please.

6 MR. KIDDER:

7 I am Sean Kidder, I'm the Controller.

8 CHAIRMAN JONES:

9 Great.

10 MR. COLEMAN:

11 My name is Michael Coleman, General
12 Manager.

13 CHAIRMAN JONES:

14 Great. Okay. Tell us what was going on
15 with these contracts, and why the problems in
16 2019 and 2020.

17 MR. KIDDER:

18 I'll address the late filing first.

19 CHAIRMAN JONES:

20 Hold the mic closer.

21 MR. KIDDER:

22 I'll address the late filing first if
23 that's okay.

24 CHAIRMAN JONES:

25 That would be great.

1 MR. KIDDER:

2 It's an oversight. It's been corrected.
3 All the filings for the current year have been
4 filed timely. It's not going to happen again
5 going forward.

6 CHAIRMAN JONES:

7 Well, what I don't understand on the late
8 filing is, obviously, and in July 28th of
9 2021, you filed two, but what happened to the
10 third one? Why did it take from July to
11 February to file that third one? You
12 obviously were aware of the problem by that
13 point.

14 MR. KIDDER:

15 Right. The two were filed and I did not
16 file the next one until I understood that I
17 was doing it correctly. It was some back and
18 forth with some questions, you know, that I
19 sent to Hud, and he was very helpful in
20 getting it resolved. And I delayed filing the
21 next one until I made sure I understood the
22 process to get it done correctly.

23 CHAIRMAN JONES:

24 Okay. Okay. All right. Very good.

25 Okay. Then, talk to us about the shortfalls

1 on the employees and the payroll.

2 MR. KIDDER:

3 On the initial contract where the payroll
4 fell short at \$1.6, the original process, the
5 report that I ran had new hires on it and
6 included H2B workers, which should have been
7 excluded. And for that reason, we're in the
8 process of amending that application because
9 that number is too high. So in other words,
10 when I run our report of new hires, it would
11 have been higher than 20, but the number \$1.6
12 would have been met, but it would have been
13 with workers that weren't -- didn't fit the
14 definition of a job.

15 CHAIRMAN JONES:

16 Got it. So is this the first contract
17 that you guys have participated in?

18 MR. KIDDER:

19 For myself, it is, yes.

20 CHAIRMAN JONES:

21 Okay.

22 MR. KIDDER:

23 So I would say, it's definitely been a
24 learning curve, and Hud has definitely been a
25 great professor.

1 CHAIRMAN JONES:

2 You just got a new nickname, Hud. All
3 right. So it was an issue, you met the
4 numbers, but not with jobs that did not
5 qualify under the definition of jobs.

6 MR. KIDDER:

7 Right. Yes.

8 CHAIRMAN JONES:

9 Because you were using immigrant workers
10 instead of --

11 MR. KIDDER:

12 Right.

13 CHAIRMAN JONES:

14 -- residents of the State of Louisiana.

15 MR. KIDDER:

16 Yes, sir.

17 CHAIRMAN JONES:

18 Got it. Okay. Is that the same
19 situation in 2020?

20 MR. KIDDER:

21 Yes, sir, for that contract, yes.

22 CHAIRMAN JONES:

23 Okay. So what about the third contract
24 where you had six employees and nobody hired,
25 no pay, no salaries?

1 MR. KIDDER:

2 For that contract, our original advance
3 notification had 20 new hires for the entire
4 project, which is done in five phases, which
5 the 20 was met in the original phase. So that
6 also ran that contract because it should have
7 been zero, shouldn't have been six, because we
8 used that six as a backfill to keep our base
9 number in compliance.

10 CHAIRMAN JONES:

11 Okay. So you've obviously talked to the
12 local governing authorities.

13 MR. KIDDER:

14 Yes, sir, I've been in contact with St.
15 Martin Economic Development to get the ball
16 rolling. It is rolling for them.

17 CHAIRMAN JONES:

18 Okay. So you can make whatever
19 amendments might be necessary to better
20 reflect what the truth will be out there.

21 MR. KIDDER:

22 Yes, sir. I will say that the turnover
23 in our industry is super low.

24 CHAIRMAN JONES:

25 Really?

1 MR. KIDDER:

2 I mean the employees right now, I mean if
3 you come by, there's people been there a long
4 time, and it's just not a lot of turnover
5 there to lower the number.

6 CHAIRMAN JONES:

7 Okay. All right. Good deal. Any
8 questions or comments from the Board before we
9 even go entertain a motion. Do we have a
10 motion?

11 REPRESENTATIVE ST. BLANC:

12 Make a motion that no action be taken.

13 CHAIRMAN JONES:

14 Okay. Representative St. Blanc, no
15 action; second from Dr. Wilson. Any comments
16 or questions from the Board?

17 Any comments from the public?

18 Hearing none, all in favor, say aye.

19 (AYES BY ALL)

20 CHAIRMAN JONES:

21 Any opposition?

22 Hearing none, the motion carries. Thank
23 you, Gentlemen.

24 MR. KIDDER:

25 Thank you very much.

1 MR. COLEMAN:

2 Thank you.

3 CHAIRMAN JONES:

4 Keep making sugar. The coffee needs the
5 sugar.

6 MR. USIE:

7 Last, we have one contract, Number
8 20170087 for Mechanical Equipment Company,
9 Inc. in St. Tammany Parish that is
10 noncompliant for the 2019 and 2020 reporting
11 periods. The Exhibit A for this contract
12 requires the company create and maintain ten
13 jobs with \$320,000 in payroll. The actual
14 jobs created and maintained for 2019 was 28
15 jobs with \$422,204 in payroll. The Company is
16 noncompliant due to the late filing only.
17 Their compliance was due August 23rd of 2020
18 but not received until July 2nd of 2021.

19 The actual jobs created and retained for
20 2020 was 38 jobs with \$1,347,320 in payroll.
21 The Company is noncompliant due to the late
22 filing only. This filing was due April 30th
23 of 2021 but not received until July 2nd of
24 2021. All three locals the Parish Council,
25 the School Board and the Sheriff all responded

1 with recommendation to defer to the Board.

2 CHAIRMAN JONES:

3 We have someone here from Mechanical
4 Equipment Company? Just state your name and
5 your position with the Company, please.

6 MR. LESTER:

7 Good morning. Brandon Lester, I'm an
8 Accountant with Mechanical Equipment Company.

9 CHAIRMAN JONES:

10 Mr. Lester, you had a great story to
11 tell. Why didn't you tell it?

12 MR. LESTER:

13 Okay. I mean --

14 CHAIRMAN JONES:

15 I mean you were blowing the top off of
16 your jobs number. You're blowing the top off
17 your payroll numbers.

18 MR. LESTER:

19 I think --

20 CHAIRMAN JONES:

21 I would have taken an ad out in the
22 paper.

23 MR. LESTER:

24 Well, I'm not sure. It was just clearly
25 an oversight as far as the reporting goes. I

1 mean, y'all can see it clearly, we exceeded
2 the jobs and the salaries for both reporting
3 periods. Procedures have been put in place
4 now to make sure this doesn't happen, you
5 know, further.

6 CHAIRMAN JONES:

7 So you were handling it internally?

8 MR. LESTER:

9 Yes.

10 CHAIRMAN JONES:

11 And, again, diaries or whatever to make
12 sure because, again, there's -- you're
13 obviously -- the Company appears to be doing
14 well. You appear to have survived COVID
15 fairly well --

16 MR. LESTER:

17 Yes.

18 CHAIRMAN JONES:

19 -- which runs counter to what we hear
20 normally.

21 MR. LESTER:

22 Right.

23 CHAIRMAN JONES:

24 And so, again, I hate your good to be
25 spoken evil of today, so let's don't do this

1 again. I mean, truly, when I see those
2 numbers, it's a great report for your company.
3 Congratulations on the growth.

4 MR. LESTER:

5 Yeah. And to further that, they actually
6 have plans to do some more expansion moving
7 forward. So...

8 CHAIRMAN JONES:

9 Exactly what kind of equipment do you
10 they manufacture?

11 MR. LESTER:

12 They manufacture water purification
13 systems, which our big customers are
14 pharmaceutical, food and beverage, some
15 military contracts, you know, I mean
16 municipalities.

17 CHAIRMAN JONES:

18 Interesting. Okay. Very good. So we
19 have two contracts with noncompliance due to
20 late filing, despite meeting jobs and payroll
21 numbers, which is normally the bigger issue.
22 But all and all, the local entities have
23 deferred to the Board.

24 So what is the pleasure of the Board?
25 Motion from Dr. Wilson, no penalty; second

1 from Mayor Toups. Any questions or comments
2 from the Board?

3 MR. SLONE:

4 Do you have a new computer yet?

5 MR. LESTER:

6 Yeah, lots of lights.

7 CHAIRMAN JONES:

8 All right. Any comments from the public?

9 There being none, all in favor, say aye.

10 (AYES BY ALL)

11 CHAIRMAN JONES:

12 Any opposition?

13 There is none, the motion carries. Thank
14 you.

15 Let's go back to -- I'm presuming someone
16 is here from -- I'm going blank with the name
17 of the Company.

18 MR. USIE:

19 South Alexander.

20 CHAIRMAN JONES:

21 Thank you. South Alexander Development,
22 please come forward and please state your name
23 and your position with the company.

24 MR. SCHMIDT:

25 Robert Schmidt, President.

1 CHAIRMAN JONES:

2 Okay. Before we do, Hud, remind us what
3 we are doing here. You have requested that we
4 cancel these contracts for the failure to
5 file?

6 MR. USIE:

7 Renewal project status reports for front
8 end contracts, no AFC or PCR was filed, and
9 the company did not comply with the
10 commencement of operations and job reporting
11 requirements outlined in the Exhibit A
12 agreements.

13 CHAIRMAN JONES:

14 Okay. First of all, what do you all
15 manufacture?

16 MR. SCHMIDT:

17 We are a solar development company.

18 CHAIRMAN JONES:

19 Okay.

20 MR. SCHMIDT:

21 We primarily build projects. Right now
22 though, it's all out of state, but we started
23 in Louisiana in 2009 and moved mostly out of
24 state in 2016. Our primary operations are in
25 Texas, Maryland, and New York today.

1 CHAIRMAN JONES:

2 Okay. And what's the issue with the
3 failure to file the necessary reports?

4 MR. SCHMIDT:

5 So to be clear, we haven't yet received
6 an incentive. So these projects are still
7 under development. Going back to 2020, of
8 course, we ran into COVID, but the big
9 development issues that we ran into were
10 Hurricanes Laura and Ida. So the first
11 project, since we're talking about three, one
12 in Calcasieu, one in Livingston, and one in
13 Lincoln Parish.

14 The first project in Calcasieu Parish,
15 the first project that we planned to build was
16 in Calcasieu, we ran into an issue with
17 Hurricane Laura that had to be put on the back
18 burner. The second project was in Livingston
19 Parish, which we thought we had sited well.
20 And towards the end of construction, we were
21 hit by Hurricane Ida. And that project has to
22 be completely rebuilt, so we're still working
23 through that with the insurance company. So
24 since the beginning, we were planning on
25 building the Lincoln Parish project last.

1 CHAIRMAN JONES:

2 I know Laura and Ida did not hit Ruston,
3 so what's happened with Lincoln Parish?

4 MR. SCHMIDT:

5 Right. So that has been always planned
6 to go on the back end of those first two
7 projects. So we have a lot of money tied up
8 in both Calcasieu projects and the Livingston
9 Parish project that we have to move forward
10 with construction in placing those projects in
11 service before we can eventually build the
12 Lincoln Parish project.

13 CHAIRMAN JONES:

14 Why is that? I don't understand the
15 chronology, and why one is dependent on the
16 other.

17 MR. SCHMIDT:

18 Well, to put it simply, we're --

19 CHAIRMAN JONES:

20 I'm simply a guy, so keep it simple.

21 MR. SCHMIDT:

22 -- small Louisiana company and we simply
23 don't have access to, you know, a larger
24 budget for these capital investments.

25 CHAIRMAN JONES:

1 Okay. So Calcasieu, what was going to be
2 the chronology at the beginning? Calcasieu
3 first or Livingston first?

4 MR. SCHMIDT:

5 Calcasieu then Livingston.

6 CHAIRMAN JONES:

7 Okay. So when Laura hit Calcasieu, were
8 y'all already under construction?

9 MR. SCHMIDT:

10 We had not yet begun construction.

11 CHAIRMAN JONES:

12 Has land been acquired?

13 MR. SCHMIDT:

14 Yes, permitted, leased, shovel ready.

15 CHAIRMAN JONES:

16 Okay.

17 MR. MOSS:

18 Mr. Chairman?

19 CHAIRMAN JONES:

20 Yes?

21 MR. MOSS:

22 Curious --

23 CHAIRMAN JONES:

24 Pull your mic down, Stuart.

25 MR. MOSS:

1 -- I represent Calcasieu, so where are
2 you in Calcasieu Parish?

3 MR. SCHMIDT:

4 Directly across the street from the
5 regional airport.

6 MR. MOSS:

7 Okay. Gotcha.

8 MR. SCHMIDT:

9 On Gautier.

10 MR. MOSS:

11 Yeah, I know exactly. I just, I hadn't
12 seen anything, so that's why I was curious as
13 to where the project was going.

14 CHAIRMAN JONES:

15 So the land is leased, but why have you
16 not started construction? I mean, Laura was
17 not yesterday. It has been sometime ago. So
18 why have you not started construction there?

19 MR. SCHMIDT:

20 So we began construction on the
21 Livingston Parish project, and that was just
22 at the point of being placed in service when
23 we were hit by Ida.

24 CHAIRMAN JONES:

25 And what I'm not understanding is that

1 Calcasieu was first; Laura happened, okay, I
2 get it, but Laura did not -- I mean you didn't
3 have buildings -- I mean all you're dealing
4 with is just raw land, I presume. When you
5 leased your acreage to build your solar farms,
6 you had just raw land. How did Laura keep you
7 from going forward with the construction?

8 MR. SCHMIDT:

9 So the timing can be a little bit tricky
10 with some of the other agreements that we have
11 to have in place both on the financing side.
12 We have end-of-year deadlines for some of the
13 financing. We also had deadlines with
14 Entergy. So we have revenue contracts with
15 Entergy. And so, you know, it's been an
16 unfortunate scheduling issue where we are
17 playing whack-a-mole where, right now today,
18 we've extended all of our contracts with
19 Entergy until the end of 2023. And if we were
20 to lose the current contracts in place with
21 the State of Louisiana for the ITEP incentive,
22 we would essentially be running into that same
23 issue where we would be pressed up against the
24 end of 2023 if we had to start this process
25 from the beginning. So Hurricane Laura pushed

1 us out to the point where we would not have
2 been able to complete before the end of that
3 year, and we began the project in Livingston
4 early in the following year.

5 CHAIRMAN JONES:

6 And Lincoln, you're simply waiting on
7 some project financing?

8 MR. SCHMIDT:

9 We are waiting on getting some of the
10 investment that's currently sitting on the
11 balance sheet off, and that happens when we
12 place these projects in service. The long
13 term bank financing and investment --
14 third-party investment comes in.

15 CHAIRMAN JONES:

16 And so have y'all all heard this story
17 before, because has there been any
18 communication with LED on what's been going
19 on?

20 MR. USIE:

21 Since I started reaching out to see why
22 the compliance wasn't filed, that led me to
23 discovering the annual project status reports
24 weren't been filed. Then I dug deeper into
25 Exhibit A and realized the commencement of

1 operations two-year grace period lapsed back
2 in 2021. So since I hadn't received any
3 correspondence regarding the first email, I
4 sent in May, I sent a followup email on
5 July 7th or 5th, I recall, stating that they
6 were going to be canceled. And since then,
7 Mr. Schmidt has reached out and has explained
8 what he just explained to you guys regarding
9 the projects.

10 CHAIRMAN JONES:

11 And have any reports been filed at all
12 since?

13 MR. USIE:

14 I checked the annual project status
15 reports as of this morning at nine o'clock and
16 nothing was filed for those.

17 CHAIRMAN JONES:

18 I mean filing a report, it's okay to say
19 nothing is happening. We don't -- we've got
20 to know what's going on with these projects.
21 You understand that; right?

22 MR. SCHMIDT:

23 I do.

24 CHAIRMAN JONES:

25 I mean, did you understand it before now?

1 MR. SCHMIDT:

2 I certainly did not.

3 CHAIRMAN JONES:

4 I guess, Mr. Schmidt, the thing I'm
5 struggling with, frankly, I'm just going to be
6 real honest, is that this ITEP program is the
7 most valuable program the State of Louisiana
8 offers from the standpoint of an incentive.
9 It's highly controversial, highly valuable. I
10 don't understand when a company gets that
11 benefit and doesn't attach significance to the
12 requirements of the contract to the point
13 where they make it a priority. I don't get
14 that.

15 I recognize that there are issues. I
16 recognize that hurricanes created issues for
17 you. I get all that. But having said that,
18 if you got an email from Hud in May and it's
19 now August and no attempt has been made to
20 bring any of these documents current, I
21 struggle with that quite frankly. And I'm not
22 -- what I'm hearing from you is not a real
23 strong explanation, frankly. I understand
24 what project financing is all about and I
25 understand about meeting contracts, and I

1 understand that when you're Project Manager,
2 you've got ten plates spinning all at the same
3 time and you're driving yourself crazy trying
4 to make sure none of them fall. I get that
5 too. But unless the ITEP program is at least
6 one of the most important parts of those
7 plates, I guarantee you all the rest of them
8 fall.

9 And I just, I do not understand how these
10 contracts have not gotten your attention
11 before now. That makes no sense to me. Do
12 you have a consultant that you have hired or
13 you doing all this in-house?

14 MR. SCHMIDT:

15 So during the process of getting the
16 local taxing authorities to approve the
17 incentive individually, which was a change
18 that we were just dealing with when we started
19 the application process, we did work with a
20 consultant. However, once those were
21 approved, we did not understand that reports
22 were due until these projects were placed in
23 service. So that's the disconnect. I
24 certainly do agree with you that this is an
25 extremely valuable program. It's so valuable

1 that we simply aren't able to get bank
2 financing without it, so it is critical.
3 Absolutely.

4 CHAIRMAN JONES:

5 Well, I have my thoughts. What's the
6 pleasure of the Board? I'd be welcomed to
7 hear some of y'all's thoughts.

8 REPRESENTATIVE ST. BLANC:

9 Mr. Chairman?

10 CHAIRMAN JONES:

11 Yes?

12 REPRESENTATIVE ST. BLANC:

13 When I first just came on this Board and
14 when we talked about solar and everything and
15 I told you I would recommend that -- I didn't
16 realize this was going to happen today and
17 there's all sorts of evidence that I didn't
18 have here today, and I would like to defer
19 this to the next meeting and make them come
20 with everything and we can have the right
21 questions. There's a lot to this and that's
22 just my opinion, just one vote on this Board.
23 I understand everything he's talking about and
24 everything. It takes time for you to
25 understand, and I think that we should defer

1 it to the next meeting. And they can come
2 better equipped, and we'll know much more
3 about this. We're first learning about solar
4 and stuff and we sure want to be a part of it,
5 but there's a lot of things to solar that
6 there's a lot of tricks and stuff that goes
7 on. So that's my opinion, and I make that
8 motion.

9 CHAIRMAN JONES:

10 I have a motion to defer. Is there a
11 second? Second by Mr. Moller. Any questions
12 or comments from the Board?

13 I'm going to ask one question just from
14 the standpoint of what do we anticipate
15 learning during this time of deferral? When
16 we come to the next meeting and we're in
17 August, September, October, what will we learn
18 then?

19 MR. USIE:

20 Can I just clarify regarding the
21 misfiling?

22 CHAIRMAN JONES:

23 I would love for you to clarify
24 something.

25 MR. USIE:

1 So one aspect of the misfiling is any
2 applicant that files an application prior to
3 the beginning of operation or end of
4 construction, we refer to that as a front end
5 contract. They are required per Section 503
6 of ITEP Rule, it states if the applicant fails
7 to timely file a status report, the Board may,
8 after notice to applicant, terminate the
9 contract. And these are required to be filed
10 by December 31st of each year until the
11 Project Completion Report and Affidavit of
12 Final Cost are filed. So that is something
13 that could be filed and received prior to the
14 next Board if it was deferred.

15 But the other item is the company default
16 in their Exhibit A agreement and that allows
17 the company that it cannot commence operation
18 within a two-year period beginning on the date
19 identified in Section 402A, the Board may
20 terminate or otherwise modify the exemption
21 contract as provided in the rules. In that
22 two-year period, when I dug deeper in finding
23 out why the compliance wasn't filed, that had
24 lapsed in 2021.

25 So those are -- that is nothing that

1 Mr. Schmidt could provide at the next Board
2 meeting; the Annual Project Status Reports,
3 yes, but the fact that they were in default
4 due to that commencement of operations isn't
5 nothing.

6 CHAIRMAN JONES:

7 But the Board's response to that is our
8 discretion.

9 MR. USIE:

10 Your discretion to terminate or otherwise
11 modify the exemption contract as provided in
12 the rules.

13 CHAIRMAN JONES:

14 Okay.

15 MR. MOSS:

16 Mr. Chairman, I know you have a motion
17 sitting out there that has not been a vote
18 taken.

19 CHAIRMAN JONES:

20 Right.

21 MR. MOSS:

22 I'd like to see where the vote is,
23 because personally, I know you have a project
24 in my backyard, I understand that, and I
25 appreciate the solar aspect; but at the same

1 time, you had all this time to have these
2 documents in. If this project is that
3 important, you need to be on top of that. I
4 would have a motion for a one-year penalty.

5 CHAIRMAN JONES:

6 So we have a motion --

7 MR. MOSS:

8 Not a cancellation. I know you have a
9 present motion on the table, Mr. Chairman, so
10 I don't know how you want to address both.

11 CHAIRMAN JONES:

12 First of all, let's have an action on the
13 motion of --

14 REPRESENTATIVE ST. BLANC:

15 On a point of order, I'll just --

16 CHAIRMAN JONES:

17 Do you want action on your motion?

18 REPRESENTATIVE ST. BLANC:

19 Right.

20 CHAIRMAN JONES:

21 All right. Let's vote on the motion to
22 defer. All in favor, say aye. I would expect
23 the motioner to vote. I'll try that one more
24 time. There is a motion and second to defer
25 any action. All in favor, say aye.

1 Okay. Motion fails for lack of a vote.

2 Now, we have a motion from Mr. Moss.

3 MR. MOSS:

4 Yes, sir.

5 CHAIRMAN JONES:

6 We have a second for a one-year penalty.
7 Are there any conditions tied to that, I mean,
8 from the perspective of they've got to get
9 everything filed, they've got to --

10 MR. MOSS:

11 I would -- yeah, I would put the
12 condition that everything needs to be brought
13 up to the office immediately. I can't see
14 continually delaying something that, if this
15 is important to your contracts, then this
16 needs to be done immediately. And I hope you
17 understand my position. I'm not opposed to
18 your project. I just think that we're using
19 taxpayer money to have you put projects to
20 help the economy, then you need to abide by
21 our rules.

22 CHAIRMAN JONES:

23 And we have a motion. Is there a second?

24 MR. SCHMIDT:

25 If I could just say one thing?

1 CHAIRMAN JONES:

2 Just a second. Just a second. You'll
3 have an opportunity. Is there a second to the
4 motion?

5 MR. NASSAR:

6 I'll second.

7 CHAIRMAN JONES:

8 We have a second from Mr. Nassar. Any
9 comments or questions from the Board?

10 Mr. Block?

11 MR. BLOCK:

12 I do have a question. And I realize you
13 want to make a comment, so we'll certainly
14 give you the opportunity to do that. But the
15 main thing I'm curious about is, when did you
16 receive notice that LED was seeking to
17 terminate this contract? When did you know to
18 show up here today?

19 MR. SCHMIDT:

20 I believe that was the July email.

21 MR. USIE:

22 July 7th of 2022.

23 MR. BLOCK:

24 Okay. So I think that brings us in line
25 with the comments that have been made so far

1 is that here we are almost at the end of
2 August. And has there been some effort to try
3 and reach out to LED to get these documents
4 in? Because, I mean, it's hard to understand
5 how, if you were notified that there was going
6 to be an effort to seek this Board's approval
7 to cancel the contract, and yet still as of
8 this morning, there's been nothing filed with
9 LED, I sort of agree with the Chairman. I'm
10 not sure what the difference is going to be
11 between now and next month when you've known
12 for two months that this was a significant
13 problem. So if you can just kind of walk
14 through what's going to change going forward,
15 and what is it that you intend to do?

16 MR. SCHMIDT:

17 All right. So about 60 minutes ago, they
18 were uploaded. The primary question that we
19 had was if this is not yet been placed in
20 service, what would that report look like? It
21 would just have zeros because it hasn't yet
22 been placed in service, so that's what the
23 reports show now. Our initial question was
24 whether we needed to submit reports prior to
25 the projects being placed in service.

1 MS. CHENG:

2 Can I clarify? Those reports that were
3 missing are required prior to any construction
4 taking place.

5 CHAIRMAN JONES:

6 That's right.

7 MS. CHENG:

8 So it could just say that nothing had
9 been done or what the status was. We're not
10 looking for the job reports because there
11 can't be job reports until after the project
12 is complete. These are status reports.

13 CHAIRMAN JONES:

14 And, Ms. Cheng, to your point -- I'm
15 sorry, Matt.

16 MR. BLOCK:

17 No, go ahead.

18 CHAIRMAN JONES:

19 To your point, I think this is one of the
20 things I'm struggling with a little bit. And
21 the reason I asked whether you have a -- can
22 this be done without a consultant?

23 Absolutely. But what I'm hearing is a
24 disconnect of understanding what these reports
25 are on your part because you're obviously

1 under the impression that reports aren't due
2 until you're under construction or under
3 operation. Well, no, that's not so.

4 So I think that at the very least, you
5 need to have somebody tasked within your
6 organization to figuring out what these --
7 there's a reason for the rule. There's a
8 reason we require this sort of stuff. Believe
9 it or not, we're not trying to create red tape
10 for you. We are trying to understand so that
11 we can respond to the taxpayers of the State
12 of Louisiana when we're asked, well, what is
13 the status of those solar farms. We need to
14 be able to respond to those questions. And
15 information in our hands is helpful to us for
16 a lot of different reasons. So I don't think
17 it's too much to ask for these kind of reports
18 to be filed in a timely way. And I strongly
19 suggest that you make sure that the folks in
20 your organization are properly tasked in
21 learning how to do it and do it timely.

22 I don't know what you've uploaded within
23 the last 60 minutes, but, again, I want to be
24 sure that, to Mr. Block's point, that if this
25 matter is deferred, right now we've got a

1 motion to defer that's failed. We've got a
2 motion for a one-year penalty that has no
3 second. I'm not sure what the Board's going
4 to do today.

5 Oh, we did have a second for a one-year
6 penalty. Oh, I'm sorry. All right. Good
7 deal. But the point of all this is even with
8 the one-year penalty, you need to understand
9 that you should be strongly incentivized,
10 pardon the pun, to be filing this stuff in a
11 timely manner for a lot of different reasons.
12 So forgive me. Thank you for keeping me
13 straight, guys. We have a motion and a
14 second. Any other comments or questions?

15 MR. BLOCK:

16 I would like to get LED's thoughts on how
17 the one-year penalty would work and whether or
18 not that's advisable.

19 CHAIRMAN JONES:

20 Yes, Ms. Tam?

21 MS. BOURGEOIS:

22 Well, I initially came up here because of
23 the other issue that will have to be dealt
24 with at some point is that they did not
25 commence operations timely. So now, we need

1 to figure out when they will commence
2 operations; perhaps, they can go through the
3 amendment process for Exhibit As that we have
4 put into place and that has been implemented
5 successfully.

6 To Mr. Block's point, if you penalize
7 with a one-year penalty, then I think once, if
8 we can work out the rest of it, once the
9 assets go into service, then you'd have one
10 year off of the initial exemption for four
11 years instead of five. What we don't know is
12 with this delay and the pushback of the
13 commencement of operations, you know, will
14 that be a situation that might require a new
15 advance and a new application? I just, I
16 don't have enough information here today, but
17 we can work with the company to figure out if
18 it is as simple as an amendment or is this a
19 whole new project? I mean Lincoln Parish
20 nothing has not been done yet.

21 CHAIRMAN JONES:

22 Ms. Bourgeois, let me ask you this
23 question. In order to try to thread all those
24 needles that you've just described, would it
25 be helpful for this Board to defer so that we

1 can bring it back to the next meeting and,
2 hopefully, between now and then, Staff and the
3 applicant can get these issues at least
4 understanding what the path forward looks
5 like? Would that -- do we need to defer for
6 that or can we go ahead and move on this
7 motion for a one-year penalty?

8 MS. BOURGEOIS:

9 I think that's at the pleasure of the
10 Board. I don't think the --

11 CHAIRMAN JONES:

12 We don't make your life -- we don't make
13 y'all's life easier trying to solve this
14 problem going forward.

15 MS. BOURGEOIS:

16 You don't have any issues about deferring
17 the penalty?

18 CHAIRMAN JONES:

19 Okay. But I -- Mr. Schmidt, one thing I
20 would strongly recommend, whatever the Board
21 is about do, I would strongly recommend,
22 again, whoever in your shop is tasked with
23 this incentive program that you get with Staff
24 as quickly as possible because the issues that
25 Ms. Bourgeois just raised are real

1 significant. And I think you understand
2 intuitively what the impact on your potential
3 for project financing if you do have to file
4 new advanced notifications, and I don't know
5 the answer to that today. But I think it's a
6 question that you need to be able to get
7 straight in your own shop so that you can know
8 what the path forward is for your final
9 investment decisions moving forward. Okay.

10 DR. WILSON:

11 Mr. Chairman, I had a question.

12 CHAIRMAN JONES:

13 Yes, sir, Dr. Wilson?

14 DR. WILSON:

15 Is there a new start date for the project
16 because the application date was 2018? So
17 when are you all going to start the
18 construction of the project?

19 MR. SCHMIDT:

20 So, currently, we have deadlines of
21 December 31, 2023 for all three. So in the
22 solar industry, we say the start dates always
23 gets pushed back, but the end dates stay the
24 same. Right now, we have a few investors and
25 financing companies that are awaiting the

1 results of this meeting for us to be able to
2 move forward. So between Q1 and Q2, all
3 three -- well, pardon me, Calcasieu and
4 Lincoln will start next year; Q1 and Q2, we
5 will be rebuilding the Livingston Parish
6 project, which almost reached completion and
7 that will start next month.

8 CHAIRMAN JONES:

9 Okay. Thank you. Mr. Block?

10 MR. BLOCK:

11 So if those investment decisions are
12 based upon the outcome of this meeting, I'm
13 not sure how the outcome of this meeting, no
14 matter what action we take, are going to allow
15 your investors to make those decisions because
16 from what LED is saying, you have other issues
17 other than the noncompliance issues with the
18 contract, mainly, the start date. So I'm not
19 sure -- I'm not sure that we're not going to
20 be back here again on those same issues with
21 you saying that you still don't have a
22 resolution. You understand what the concern
23 about that?

24 MR. SCHMIDT:

25 I do. So I think one of the questions

1 was, you know, have these projects changed?
2 The projects have not changed. If we have to
3 amend the start date, if that's the primary
4 issue, if I'm understanding that correctly, is
5 that --

6 CHAIRMAN JONES:

7 I think the problem is --

8 MS. BOURGEOIS:

9 Identifying them right now.

10 CHAIRMAN JONES:

11 The problem is, I think, is that there
12 was a two-year grace period in which to start
13 and you missed it.

14 MS. CHENG:

15 I think start is being used
16 interchangeably here. Commencement of
17 operations means their project is complete.

18 CHAIRMAN JONES:

19 Exactly. That's a good point.

20 MS. CHENG:

21 They're not --

22 CHAIRMAN JONES:

23 It's not starting construction.

24 MS. CHENG:

25 And beginning operations is fully

1 completed.

2 CHAIRMAN JONES:

3 So I think the point that's being raised
4 by Ms. Bourgeois is that because you've missed
5 the two-year grace period, there's no way, or
6 I shouldn't be that dogmatic, but it appears
7 to be very problematic, how do you proceed
8 under these contracts when the grace period
9 has already expired, and for you to not
10 commence construction but commence operations?

11 Mr. Pierson?

12 SECRETARY PIERSON:

13 One thing that's complicating this
14 conversation and potentially the vote is
15 around lumping all of this together where we
16 have a proposed project and we have one that
17 was nearly completed, as I appreciate it. And
18 then due to storm damage, it is now involved
19 with insurance proceeds, conversations, and
20 things that are required to get back underway.
21 So as we talk about delays in meeting
22 timelines, there may be three different
23 varieties of projects that we have in front of
24 us.

25 MR. BLOCK:

1 And I guess that's the point I'm making
2 is that if you are waiting to be able to make
3 decisions and your investors are making
4 decisions based on the outcome of this
5 meeting, I take it, Ms. Bourgeois, that any
6 amendments would need to come back before this
7 Board for approval.

8 MS. BOURGEOIS:

9 I mean I would request that the Staff has
10 time to be thoughtful about what amendment
11 would be requested and come back to the Board
12 with.

13 MR. BLOCK:

14 Right.

15 MS. BOURGEOIS:

16 You know, I would want to do that.

17 MR. BLOCK:

18 So the point is, no matter what decision
19 this Board makes today, you're not going to
20 receive the finality of whether it's at minus
21 one year or not to go forward.

22 CHAIRMAN JONES:

23 Well, Mr. Block, I think what will
24 happen, what I hope will happen is that
25 Mr. Schmidt will be able to take to his

1 investors a sense of urgency that they work
2 out, get the LED issues resolved as quickly as
3 possible; because until they do, they may have
4 a hard time making that final investment
5 decision.

6 MR. BLOCK:

7 Right.

8 CHAIRMAN JONES:

9 And so if nothing else, I think we've
10 created what I hope is a sense of urgency as
11 to get these issues wrangled and figure out
12 what the path forward is. I don't see any
13 reason we can't -- cannot proceed with the
14 vote on the motion as presently stated, but I
15 do believe, just so that the Board to manage
16 expectations on everyone's part, that this is
17 not the last we have seen of these projects.

18 Mr. McKnight?

19 MR. MCKNIGHT:

20 Before we move forward, let me ask one
21 question. If we did defer this and lumped all
22 of this together, could this be resolved all
23 at one time with the other dates, amendments,
24 and stuff; and that way, you have a final
25 picture of what you're actually approving at

1 the end of day or is this something that we
2 must do in two steps?

3 CHAIRMAN JONES:

4 No, it can be done any way the Board
5 wants to do it. It's just, there's no reason
6 it can't be handled.

7 MR. MCKNIGHT:

8 Again, I guess the point is, this doesn't
9 move him forward with his investors as far as
10 the finality of whether you're going to be in
11 the program or not with this other issue
12 hanging out there. And so if we want to take
13 one vote moving forward to know what really
14 the outcome of this is, you kind of lump them
15 together and give everybody time between now
16 and the next meeting to put that together as
17 one issue and one motion.

18 CHAIRMAN JONES:

19 My only thought on that is if we were to
20 vote to penalize -- to impose a one-year
21 penalty, that is something final. That is
22 something that even if whatever moves forward,
23 I mean if we had to do it -- let me -- let me
24 rethink that for a minute. If we had to move
25 to a new contract, a one-year penalty would be

1 moot; wouldn't it?

2 MR. MCKNIGHT:

3 Right. That's kind of my point is that
4 the project doesn't move forward.

5 CHAIRMAN JONES:

6 If we vote a one-year penalty and there's
7 a new contract, that one-year penalty wouldn't
8 apply to the new contract.

9 MS. BOURGEOIS:

10 Well, I think those are two separate
11 agenda items. You still have the cancellation
12 for failure to provide the reports. I think
13 that would need to be disposed of.

14 CHAIRMAN JONES:

15 That's what we're here to do today is to
16 resolve the cancellation. I think what the
17 motion pending before the Board right now is
18 to not cancel it --

19 MR. MCKNIGHT:

20 Right.

21 CHAIRMAN JONES:

22 -- but impose a one-year penalty. But
23 what I'm asking is, is if after this meeting
24 is over, y'all getting around a table and
25 decide, you know, under the circumstances, you

1 can't proceed under the existing contract
2 because you didn't start, commence operations
3 within the two-year period; therefore, there
4 has to be a brand new advanced notification
5 and they have to start all this process over
6 again, well, we voted a one-year penalty on
7 the contract --

8 MS. CHENG:

9 It would just come back for a
10 cancellation at that point.

11 CHAIRMAN JONES:

12 Sorry, guys. I'm slower than y'all. It
13 takes --

14 DR. WILSON:

15 In the future, if the application is
16 canceled, they can reapply.

17 CHAIRMAN JONES:

18 Yeah, they can. They can. But my point
19 is, is that we can vote on a one-year penalty,
20 but it may be irrelevant.

21 Mr. Havard?

22 MR. HAVARD:

23 I guess I'll be the bad guy. I make a
24 motion or maybe a substitute motion that we
25 cancel the contract and take LED's

1 recommendations that we cancel the contract
2 since they didn't meet any of the
3 requirements.

4 DR. WILSON:

5 Second.

6 CHAIRMAN JONES:

7 Whoa, whoa, whoa. First motion was a
8 one-year penalty, that was your motion. Who
9 was my second? Second was Nassar. So would
10 y'all accept Mr. Havard's motion as a
11 substitute motion?

12 MR. SLONE:

13 What would your motion be?

14 CHAIRMAN JONES:

15 Cancel the contract.

16 MR. HAVARD:

17 They can start over possibly.

18 MR. MOSS:

19 Well, I understand they can start over,
20 but I think he's wanting to proceed forward,
21 so I just wanted to put that sense of urgency
22 under him for the one-year penalty. I really
23 understand your point, but I'm really not in
24 that phase to go, I just want to cancel.

25 CHAIRMAN JONES:

1 Okay. So you will not accept it. All
2 right. So what we need to do -- where the
3 Chair is going right now is we're going to
4 need to vote on the original motion for a
5 one-year penalty. We can vote it up or down
6 or then move on.

7 Mr. Pierson, you have something to say?

8 SECRETARY PIERSON:

9 I just -- you should be knowledgeable
10 that construction has been completed out there
11 on Contract Number 20180355. And so if they
12 were to be chutes and ladders, go back and
13 start at the beginning, they won't be able to
14 take the tax relief on existing construction,
15 I wouldn't think. So, again, doing this in
16 globo is a bit problematic.

17 MS. CHENG:

18 That does require, since it's
19 replacements to our existing assets, it would
20 qualify for another advance since it's
21 replacements due to a qualified disaster as
22 stated in the rules.

23 CHAIRMAN JONES:

24 Okay. Guys, I don't do this very often,
25 I don't think, but I'm going to ask the Board

1 to defeat the motion, and we go back and defer
2 because this thing has so many moving parts to
3 it that solving that in this Committee is
4 going to be problematic.

5 MR. MOSS:

6 And I'll make it simple for you,
7 Mr. Chairman, I'll withdraw my motion.

8 CHAIRMAN JONES:

9 Mr. Nassar?

10 MR. MOSS:

11 We'll go back to that side and let them
12 --

13 CHAIRMAN JONES:

14 I'm going to go back to Mr. St. Blanc's
15 motion. You want to make your motion to defer
16 again?

17 REPRESENTATIVE ST. BLANC:

18 Yes.

19 CHAIRMAN JONES:

20 Okay. We've got the motion to defer. Do
21 we have a second?

22 MR. MOSS:

23 I'll second.

24 CHAIRMAN JONES:

25 A second from Mr. Moss. And any other

1 questions or comments from the Board?

2 Hearing none, any other comments from the
3 public?

4 Mr. Schmidt, my strong advice to you is
5 you get -- because y'all really do need to
6 think about, get together with your advisors
7 and think through the path forward because I
8 know you may feel like we're coming down hard
9 on you. The reason for my frustration is the
10 lack of sense of urgency that I sense, and I
11 may be wrong about that; and if so, I
12 apologize. But I hope whatever we've done
13 today will create that sense of urgency to get
14 these issues resolved in moving forward. That
15 work?

16 MR. SCHMIDT:

17 There's a sense of urgency, yes, sir.

18 CHAIRMAN JONES:

19 Very good. All right. All in favor of
20 the motion to defer, say aye.

21 (AYES BY ALL)

22 CHAIRMAN JONES:

23 Any opposed?

24 There being none, the motion carries.

25 Thank you, sir.

1 MR. SCHMIDT:

2 Thank you.

3 CHAIRMAN JONES:

4 Y'all get that, and let's figure out how
5 to move forward. All right. Guys, I think
6 we're at the end of the agenda. I think,
7 Mr. Pierson, you had some comments for us
8 today?

9 SECRETARY PIERSON:

10 I know we have held you late today, so
11 I'll try to move through this quickly, but
12 acknowledge the support of the Board, as the
13 Chairman pointed out, of \$4.7 billion in
14 manufacturing operations across 12 parishes as
15 I see it in Louisiana; notably, CF Industries
16 and their \$200 million commitment for blue
17 ammonia moves our reduction of greenhouse gas
18 and energy a little bit pivot forward. Also,
19 notable is the BASF's final investment
20 decision around the \$780 billion investment at
21 Geismar with the retention of 1,000 jobs and
22 adding another 147 new manufacturing jobs.

23 Pleased to report what we call Super Bowl
24 Trophy Number XIII or Fast Start recognized
25 nationally as best practices in workforce

1 development. I call your attention with great
2 pride to watch on Monday, somewhere around
3 7:30 to 8:30 Eastern time the launch of NASA's
4 Artemis, which is Boeing's space launch system
5 with Lockheed Martin's Orion space capsule on
6 the top that should have that certification on
7 the side that says, Cajun Certified, because
8 it was built in Louisiana. So a tremendous
9 national attention all eyes will be on Monday
10 on a product in advanced manufacturing made
11 here in Louisiana.

12 Appreciative of the Louisiana Competes
13 Regional Economic Development Program that was
14 established in this Legislative Session that
15 will provide \$8 million across the state, a
16 million per region to do enhancement to some
17 of our sites that are available out there. So
18 we're moving forward with the establishment of
19 the rules to govern that program. And, also,
20 a review of sites where we see some great
21 investments can be made for quick fixes and
22 continue to improve our product that's ready
23 and available for new investments coming.

24 Robust efforts continue around rural
25 revitalization and small business support.

1 We're as LED on the road with colleagues here
2 across the State with rural roadshows over the
3 next four weeks, the first one commencing
4 today. And also of note will be the pending
5 award from the U.S. Treasury for our state's
6 Small Business Credit Initiative, which we
7 think will be worth \$100 million coming to
8 establish reinvestment in Venture Capital and
9 some new programs such as Micro-lending to
10 help disadvantaged businesses that have not
11 had access to capital in the past. We'll be
12 able to secure that. So we're busy,
13 appreciative of the work that this Board does
14 and your time and attention today.

15 CHAIRMAN JONES:

16 Thank you, Mr. Pierson. Anything else
17 for the good of the order?

18 We would recognize a motion to adjourn.
19 Got a motion; a second, Mr. Moller. All in
20 favor, say aye.

21 (AYES BY ALL)

22 CHAIRMAN JONES:

23 We will see you in October. Thank you
24 all.

25 (WHEREUPON, THE MEETING ADJOURNED)

1 R E P O R T E R ' S C E R T I F I C A T E

2 I, KELLY S. PERRIN, a Certified Court
3 Reporter, Certificate #23035, in good standing with
4 the State of Louisiana, as the officer before whom
5 this meeting was taken, do hereby certify that the
6 foregoing 172 pages;

7 That this testimony was reported by me in
8 stenographic machine shorthand by Computer-Aided
9 Transcription, transcribed by me or under my
10 personal direction and supervision, and is a true
11 and correct transcript to the best of my ability
12 and understanding;

13 That the transcript has been prepared in
14 compliance with transcript format guidelines
15 required by statute or by rules of the board, that
16 I have acted in compliance with the prohibition on
17 contractual relationships, as defined by Louisiana
18 Code of Civil Procedure Article 1434 and in rules
19 and advisory opinions of the board; that I am not
20 of counsel nor related to any person participating
21 in this cause and am in no way interested in the
22 outcome of this event.

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1 This certification is valid only for a
2 transcript accompanied by my handwritten or digital
3 signature and the image of my State-authorized seal
4 on this page.

5 Signed:

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7 KELLY S. PERRIN,CCR
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