

2018 Regular Session

SENATE BILL NO. 279

BY SENATOR MORRISH

SPECIAL DISTRICTS. Creates the Calcasieu-Cameron Navigation District and provides for its powers, duties, and functions. (8/1/18)

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AN ACT

To enact Part IV of Chapter 3 of Title 34 of the Louisiana Revised Statutes of 1950, to be comprised of R.S. 34:481 through 490, relative to navigation districts; to create the Calcasieu-Cameron Navigation District; to provide for district boundaries, purpose, governance, and funding; to provide for a board of commissioners and powers of the board; to provide relative to the Calcasieu River and Pass Project; to provide for an ad valorem tax; and to provide for related matters.

Notice of intention to introduce this Act has been published.

Be it enacted by the Legislature of Louisiana:

Section 1. Part IV of Chapter 3 of Title 34 of the Louisiana Revised Statutes of 1950, comprised of R.S. 34:481 through 490, is hereby enacted to read as follows:

PART IV. CALCASIEU-CAMERON NAVIGATION DISTRICT

§481. Creation of the district; purpose

A. There is created a navigation and river improvement and maintenance district which shall be known as the "Calcasieu-Cameron Navigation District", composed of the territory embraced in the parishes of Calcasieu and Cameron, for the purpose of improving and maintaining the

1 Calcasieu River with respect to the navigation thereof within the state of
2 Louisiana, and for such other purposes as are provided for in this Part.

3 B. The district shall serve within or outside of its territorial limits as
4 agent for the state of Louisiana which shall be the local sponsor and nonfederal
5 sponsor as defined by the United States Army Corps of Engineers for the
6 Calcasieu River and Pass Project, sometimes hereinafter referred to as the
7 "project". The district shall function as the single entity responsible to act, to
8 secure rights of way, and to furnish assurances for the construction, operation,
9 and maintenance of the Calcasieu River and Pass Project as designated by the
10 United States Army Corps of Engineers. Additionally, the district shall provide
11 funds to the United States Army Corps of Engineer for the nonfederal sponsor's
12 local cost share as required for work on the project by the United States Army
13 Corps of Engineers. The nonfederal sponsor's local cost share shall include but
14 is not limited to the following:

15 (1) Requirements presently in effect or which may be required in the
16 future by law, regulation, or assurance agreements.

17 (2) Requirements for new features or modifications to the project.

18 (3) Requirements to provide real estate, rights of way, and easements for
19 sites for disposal of dredged materials for the project.

20 C. The district shall enter into a cooperative endeavor agreement with
21 the Lake Charles Harbor and Terminal District not later than six months from
22 the date all district commissioners are appointed. The agreement shall contain
23 the following provisions:

24 (1) The Lake Charles Harbor and Terminal District shall continue to
25 operate as the nonfederal sponsor for the Calcasieu River and Pass Project as
26 defined in R.S. 34:218 until an ad valorem tax referenced in R.S. 34:489 is
27 passed by a majority of the qualified electors and such monies are received by
28 the Calcasieu-Cameron Navigation District.

29 (2) The Lake Charles Harbor and Terminal District shall maintain

1 ownership and control of sites used for dredged material currently owned by
2 the Lake Charles Harbor and Terminal District.

3 D. Notwithstanding any provision of this Part to the contrary, the district
4 shall not engage in port activities as defined in R.S. 34:218 within its territory.

5 §482. Domicile

6 The domicile of the district shall be in Calcasieu Parish, but offices may
7 be maintained in Cameron Parish. The secretary may reside in Calcasieu or
8 Cameron Parish. The books and records of the district shall be kept where the
9 secretary resides.

10 §483. Board of commissioners; appointment; term

11 A. The Calcasieu-Cameron Navigation District shall be administered and
12 governed by a board of commissioners, hereinafter referred to as the "board",
13 composed of five members, who shall be appointed, as follows:

14 (1) One commissioner shall be the port director or his designee of the
15 Cameron Parish Port, Harbor, and Terminal District.

16 (2) One commissioner shall be the port director or his designee of the
17 Lake Charles Harbor and Terminal District.

18 (3) One commissioner shall be a state commissioned river port pilot
19 appointed by the Associated Branch Pilots for the Port of Lake Charles.

20 (4) Two commissioners shall be appointed by the governor and subject
21 to Senate confirmation, representing separate facilities that utilize the Calcasieu
22 Ship Channel for commerce involving deep draft seagoing vessels, one facility
23 being located in Cameron Parish and one being located in Calcasieu Parish.

24 B. Term. The terms of office for commissioners appointed pursuant to
25 Paragraphs (A)(3) and (4) of this Section shall be four years and said appointed
26 commissioners shall serve no more than three consecutive terms of office.

27 C. Any vacancy on the board of commissioners for any reason shall be
28 filled in the same manner as the original appointments and for the unexpired
29 term of office.

1 **D. The commissioners shall serve without compensation and shall have**
2 **the power to organize and reorganize legal, executive, engineering, clerical, and**
3 **other departments and forces of said board and to fix the duties, powers, and**
4 **compensation of all officers, agents, and employees under said board.**
5 **Commissioners shall be entitled to receive all necessary expenses incurred in**
6 **attending meetings of the board or while attending to the business of the board.**

7 **§484. Officers and employees of board; meetings; quorum**

8 **A. The board shall elect from among its own members a president, vice**
9 **president, secretary, and treasurer, whose duties shall be those usual to such**
10 **offices. At the option of the board, the offices of secretary and treasurer may be**
11 **held by one person.**

12 **B. The board shall meet in regular session once each month and shall**
13 **also meet in special session as often as the president of the board convenes them,**
14 **or on written request of three members. The board shall prescribe rules to**
15 **govern its meetings.**

16 **C. Three members of the board shall constitute a quorum.**

17 **D. The board shall maintain suitable offices in the district, and may**
18 **contract with and employ attorneys, clerks, engineers, and other agents and**
19 **employees, and shall fix their compensation and terms of office or employment.**

20 **§485. Powers of board**

21 **A. The board shall have and enjoy all the rights, privileges, and**
22 **immunities conferred by law upon political corporations.**

23 **B. The board may own, construct, lease, or operate equipment and**
24 **machinery as may be necessary to maintain and improve the project.**

25 **C. The board may own, construct, and administer facilities necessary to**
26 **maintain and improve the project.**

27 **D. The board may dredge ship ways, channels, slips, basins and turning**
28 **basins, passing lanes and anchorages within the project.**

29 **E. The board may establish, operate, and maintain in cooperation with**

1 the federal government, the state of Louisiana and its various agencies,
2 subdivisions and public bodies, navigable waterway systems and improvements
3 within the project.

4 F. The board may acquire by purchase, lease, or otherwise, property
5 necessary for the maintenance and improvement of the project.

6 G. The board may maintain proper depth of water to accommodate and
7 induce the business and industrial interests of the project.

8 H. The board may make reasonable charges and collect the same for the
9 use of all structures, works, and facilities administered by the board, and for
10 any and all services rendered by the board.

11 **§486. Examinations and investigations; control and regulation; annual reports**

12 A. The board shall examine and investigate all questions relating to the
13 interest and welfare of the district. The board shall control and regulate the
14 same and make an annual report showing all receipts and disbursements of the
15 board, setting forth the general condition of the district and its buildings,
16 structures, facilities, and other properties, and making such recommendations
17 for the development and welfare of the district and its management as may
18 seem advisable. A copy of this report shall be promptly published in a
19 newspaper printed in the parishes of Calcasieu and Cameron.

20 B. The board shall keep a record of its proceedings which shall be
21 published at least once in a newspaper having a general circulation in the
22 district, not later than thirty days after each board meeting. At each meeting,
23 the board shall examine all its accounts and operations, determine in what
24 manner the work of the board shall be undertaken, and provide the means to
25 carry it out.

26 C. The secretary shall keep full and complete records of all receipts and
27 expenditures of the district. The secretary shall safely keep and preserve all
28 books, records, reports, contracts, vouchers, and correspondence relative to the
29 affairs of the district, and maintain a perpetual inventory of its property of all

1 **descriptions.**

2 **§487. Acquisition of lands; public aid; construction of works of public**
3 **improvement**

4 **A. The board is authorized to acquire by purchase, donation,**
5 **expropriation, or otherwise any lands in the district needed for the maintenance**
6 **and improvement of the project. The board may also provide that payment for**
7 **such lands be made out of the monies under its control not otherwise specifically**
8 **appropriated.**

9 **B. The board is further authorized to receive by gift, grant, donation, or**
10 **otherwise, any sum of money, aid, or assistance from the United States, the state**
11 **of Louisiana, or any of its political subdivisions, for the purpose of carrying out**
12 **the objects and purposes of this Part.**

13 **C. The board is authorized to make and construct any of the works of**
14 **public improvements in the district and anything in connection therewith that**
15 **may be necessary or useful for the business of the board, to purchase machinery**
16 **or materials and equipment for performing such work, and to supervise the**
17 **making of the same or to make and construct such works through contracts**
18 **with others, and generally, to do all other acts necessary or proper to carry out**
19 **the powers vested in it with regard to such works of public improvement.**

20 **§488. Contracts**

21 **Anything in this Part to the contrary notwithstanding, any construction**
22 **undertaken, or materials purchased pursuant to the authority granted in this**
23 **Chapter shall be in accordance with the provisions of Part II of Chapter 10 of**
24 **Title 38 of the Louisiana Revised Statutes of 1950.**

25 **§489. Fee; ad valorem tax; borrowing money**

26 **A.(1) For the purposes of obtaining funds, the board may levy annually**
27 **an ad valorem tax not to exceed five mills on the dollar on the property subject**
28 **to taxation situated in the district, provided the levy of the tax shall have been**
29 **authorized by a favorable vote of a majority of the qualified electors in the**

1 district in an election to be called within three years of the effective date of this
2 Part and held for that purpose in accordance with existing laws. Funds derived
3 under this Subsection may be used to defray the administrative and operating
4 expenses of the board, make in-kind distributions to port operations doing
5 business associated with the project for dredging, administration and operation
6 of certain ports, to obtain funds for the maintenance and improvement of the
7 project, and to fund the nonfederal sponsor's local cost share for work on the
8 project by the United States Army Corps of Engineers. The board may pledge
9 all or part of the revenues therefrom to the payment of bonds to be issued by the
10 district, provided that the total collections shall not exceed thirty million dollars
11 annually.

12 (2) Provided sufficient monies are received from ad valorem tax
13 collections, the board shall make payments annually to the following entities in
14 the stated amounts:

15 (a) The Cameron Parish Port, Harbor, and Terminal District - five
16 hundred thousand dollars.

17 (b) The Lake Charles Harbor and Terminal District - five hundred
18 thousand dollars.

19 (c) The West Calcasieu Port - three hundred thousand dollars.

20 (d) The Vinton Harbor and Terminal District - two hundred thousand
21 dollars.

22 B. Should the vote of a majority of the qualified electors in the district
23 fail to pass and levy the tax, legislative authority for the Calcasieu-Cameron
24 Navigation District shall terminate July first of the year following the date of
25 the election.

26 C. The provisions of R.S. 34:409 and 34:422 shall not apply to the
27 Calcasieu-Cameron Navigation District of Louisiana; provided, however that
28 this Subsection shall not operate to the impairment of contracts.

29 D. The provisions of the constitution and all laws regulating the

1 collection of taxes and the creating of tax liens and mortgages, tax penalties, and
2 tax sales shall also apply to the collection of all taxes authorized by this Part.
3 The sheriffs and ex officio tax collectors of the parishes of Calcasieu and
4 Cameron shall make a monthly settlement with the treasurer of the board of
5 commissioners and receive from him a receipt for the amount of taxes paid
6 over, in the same manner as tax collectors are required to settle with the
7 division of administration. The tax collectors shall receive from the treasurer
8 the same quietus for a full settlement of taxes due and exigible in any given year
9 and account for the delinquents or deductions in the same manner as though
10 accounting to the division of administration for state taxes. The tax collector
11 shall retain from taxes collected by him for the district any commission thereon
12 allowed him by law on special taxes and shall deposit the amount thereof with
13 the parish treasurer to the credit of the sheriff's salary fund. Upon failure of the
14 tax collector to comply with the provisions of this Part, the board of
15 commissioners shall proceed against him and the sureties on his official bond
16 for the collection of whatever money may be owing to the board of
17 commissioners for such taxes.

18 E.(1) The board may borrow money from time to time for the purpose
19 of defraying the administrative, operation, and maintenance expenses of the
20 board, and may issue certificates of indebtedness secured by any fees authorized
21 under this Part, and by any taxes authorized under this Section, provided that
22 any loan for this purpose shall in no year exceed the estimated revenues for such
23 year.

24 (2) With the approval of the State Bond Commission, said district,
25 through the board as its governing authority, is authorized to incur debt for its
26 lawful purposes and to issue negotiable bonds in its name representing the debt,
27 and to pledge and dedicate for the payment of the principal and interest of such
28 negotiable bonds the revenue derived from the ad valorem tax authorized by
29 this Section or other revenues received by the district or the board from other

1 sources, as may be provided by the board in the resolution authorizing the
2 issuance of such bonds and providing the security therefor; provided, however,
3 that such bonds shall not be issued requiring principal and interest payments
4 in any year in excess of eighty percent of the tax revenues which would have
5 been received by the district had the seven mill tax been levied on the last
6 assessment roll filed and of record. Such bonds shall be issued by the board with
7 such dates, forms, terms, series, interest rates, maturities, denominations,
8 redemption provisions and security provisions as the board may determine in
9 compliance with this Section. Such bonds, when authorized to be issued, shall
10 constitute a general obligation of the district to the payment of which the full
11 faith and credit of the district shall be and is hereby pledged. In addition to the
12 pledge of said tax and other revenues to secure the payment of said bonds in
13 principal and interest, the board may further secure their payment by a
14 conventional mortgage upon any and all properties constructed or acquired, or
15 to be constructed and acquired by it from the proceeds of such bonds. In the
16 event any bonds are issued secured by a pledge and dedication of said tax
17 revenues, said tax shall be levied and collected as long as said bonds are
18 outstanding in an amount sufficient to pay such bonds in principal and interest
19 as they respectively mature. Any resolution authorizing the issuance of bonds
20 of the district may contain such covenants as the board may deem proper to
21 assure the enforcement, collection, and proper application of the tax or other
22 revenues pledged and dedicated to the payment and security of the bonds, and
23 other security provisions including the establishment of a bond reserve if
24 deemed advisable by the board. Except as specifically provided in this Section,
25 said bonds shall be issued in compliance with the requirements of R.S. 34:490
26 and the relative provisions of the constitution, including the public sale of such
27 bonds and the thirty-day prescriptive period to contest the legality of such
28 bonds and the security therefor, all as more fully therein provided.

29 §490. Bonds

1 A. For the purpose of acquiring lands for the uses of the district and to
2 provide funds for the making and construction of the public works facilities and
3 improvements outlined in this Part, the board is authorized to issue revenue
4 bonds in the manner and subject to the terms and conditions of Subpart C of
5 Part I of Chapter 10 of Title 33 of the Louisiana Revised Statutes of 1950, as
6 well as Subpart B of Part I of Chapter 10 of Title 33 of the Louisiana Revised
7 Statutes of 1950. The board is also authorized to incur debt and issue tax
8 secured bonds for the above purposes in the manner and subject to the terms
9 and conditions of Subpart A of Part III of Chapter 4 of Title 39 of the Louisiana
10 Revised Statutes of 1950, as well as industrial inducement bonds.

11 B. In addition to the above power to issue bonds and without reference
12 to any other provisions of the constitution or statutes of the state, the district is
13 authorized, with the approval of the State Bond Commission, to issue negotiable
14 bonds for any of the purposes described above and to pledge for the payment
15 of the principal and interest of such negotiable bonds the income and revenues
16 derived or to be derived from the properties and facilities maintained and
17 operated by it, or received by the district from other sources. In addition to the
18 pledge of income and revenues to secure said bonds, the district may further
19 secure their payment by a conventional mortgage upon any or all of the
20 properties constructed or acquired, or to be constructed and acquired by it. The
21 district is further authorized to receive by gift, grant, donation or otherwise any
22 sum of money, aid, or assistance from the United States, the state of Louisiana,
23 or any of its political subdivisions, and unless otherwise provided by the terms
24 of such gift, grant, or donation, in its discretion, to pledge all or any part of such
25 monies for the further securing of the payment of the principal and interest of
26 its bonds. Such bonds shall be authorized by a resolution of the governing
27 authority of the district and shall be of such series, bear such date or dates,
28 mature at such time or times not exceeding forty years from their respective
29 dates, bear interest at such rate or rates not exceeding five per centum per

1 annum, payable semi-annually, be in such denominations, be in such form,
2 either coupon or fully registered without coupons, carry such registration and
3 exchangeability privilege, be payable in such medium of payment and at such
4 place or places, be subject to such terms of redemption not exceeding one
5 hundred five percent of the principal amount thereof, and be entitled to such
6 priority on the revenues of the district as such resolution or resolutions may
7 provide. The bonds shall be signed by such officers as the district shall
8 determine, and coupon bonds shall have attached thereto interest coupons
9 bearing the facsimile signatures of such officer or officers of the district as it
10 shall designate. Any such bonds may be issued and delivered, notwithstanding
11 that one or more of the officers signing such bonds or the officer or officers
12 whose facsimile signature or signatures may be upon the coupons shall have
13 ceased to be such officer or officers at the time such bonds shall actually have
14 been delivered. Said bonds shall be sold for not less than par and accrued
15 interest, to the highest bidder at a public sale after an advertisement by the
16 district at least once a week for not less than thirty days in a newspaper of
17 general circulation within the district and in a financial newspaper or journal
18 published in New Orleans, New York, or Chicago, reserving to the district the
19 right to reject any and all bids and to readvertise for bids. If after the
20 advertisement as herein above provided, no bids are received, or if such bids as
21 are received are considered in the discretion of the board to be unsatisfactory,
22 then in that event the said board may publicly negotiate for the sale of such
23 bonds, without a further advertisement.

24 C. No proceedings in respect to the issuance of any such bonds shall be
25 necessary except such as are contemplated by this Section, and no further or
26 other legislation shall be required to effectuate the same.

27 D. For a period of thirty days from the date of publication of the
28 resolution authorizing the issuance of bonds hereunder, any persons in interest
29 shall have the right to contest the legality of the resolution and the legality of the

1 **bond issue for any cause, after which time no one shall have any cause or right**
 2 **of action to contest the legality of said resolution or of the bonds authorized**
 3 **thereby for any cause whatever. If no suit, action or proceeding is begun**
 4 **contesting the validity of the bond issue within the thirty days herein**
 5 **prescribed, the authority to issue the bonds and to levy the necessary tax for the**
 6 **payment thereof, the legality thereof and of all the provisions of the resolution**
 7 **authorizing the issuance of the bonds shall be conclusively presumed, and no**
 8 **court shall have authority to inquire into such matters.**

The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Thomas L. Tyler.

DIGEST

SB 279 Original

2018 Regular Session

Morrish

Proposed law creates the Calcasieu-Cameron Navigation District in Calcasieu and Cameron Parishes to improve and maintain the Calcasieu River and to serve as agent for the state of Louisiana which is the local sponsor and nonfederal sponsor for the Calcasieu River and Pass Project, hereafter the "project".

Proposed law requires the district to function as the single entity responsible for acting to secure rights of way, and to furnish assurances for the construction, operation, and maintenance of the project as designated by the United State Army Corps of Engineers. Provides for the district to provide the nonfederal sponsor's local cost share, including requirements presently in effect or in the future required by law, regulation, or assurance agreements, requirements for new features or project modifications, and requirements to provide real estate, rights of way, and easements for sites to dispose of dredged materials.

Proposed law provides for the Lake Charles Harbor and Terminal District to continue as the nonfederal sponsor for the project as provided in R.S. 34:218 until such time as an ad valorem tax is passed by a majority of the qualified electors in district and receipt of tax monies by the district.

Proposed law prohibits the district from engaging in port activities as defined in R.S. 34:218 within its territory.

Proposed law provides that Calcasieu Parish is the district's domicile, but allows district offices to be maintained in Cameron Parish. Provides that the district's secretary may reside in Calcasieu or Cameron Parish and that the district's books and records shall be kept where the secretary resides.

Proposed law provides for the district to governed by a five-member board of commissioners appointed as follows:

- (1) The port director or his designee of the Cameron Parish Port, Harbor, and Terminal District.
- (2) The port director or his designee of the Lake Charles Harbor and Terminal District.
- (3) A state commissioned river port pilot appointed by the Associated Branch Pilots for

the Port of Lake Charles.

- (4) Two commissioners appointed by the governor and subject to Senate confirmation, representing separate facilities that utilize the Calcasieu Ship Channel for commerce involving deep draft seagoing vessels, one facility being located in Cameron Parish and one being located in Calcasieu Parish.

Proposed law provides for appointed commissioners to serve four year terms and not more than three consecutive terms and to serve without compensation except for payment of necessary expenses incurred to attend board meetings or to attend to board business.

Proposed law provides for board members to elect a president, vice president, secretary, and treasurer but allows one member to hold the offices of secretary and treasurer.

Proposed law provides for a regular board meeting once each month and for special meetings upon the president's call or the written request of three members. Provides that a quorum is three members.

Proposed law provides for the powers of the board necessary to maintain and improve the project, including the collection of reasonable charges to use structures, works, and facilities administered by the board and services rendered by the board.

Proposed law requires board contracts for construction or purchase of materials in accord with the Public Bid Law.

Proposed law authorizes the board to levy annually an ad valorem tax not to exceed five mills on the dollar on property subject to taxation in the district, provided that such levy is authorized by a favorable vote of a majority of the qualified electors in the district at an election called within three years of the effective date of proposed law and held for that purpose according to existing law.

Proposed law authorizes to board to pledge all or part of its revenues to payment of bonds but limits total tax collections to not to exceed thirty million dollars. Additionally, authorizes the board, provided sufficient monies are received from the ad valorem tax, to make annual payments as follows:

- (1) \$500,000 to the Cameron Parish Port, Harbor, and Terminal District.
- (2) \$500,000 to the Lake Charles Harbor and Terminal District.
- (3) \$300,000 to the West Calcasieu Port.
- (4) \$200,000 to the Vinton Harbor and Terminal District.

Proposed law provides for sunset of the district on July first of the year following an unfavorable vote to pass and levy an ad valorem tax.

Proposed law authorizes the board to incur debt and to issue tax secured bonds with approval of the State Bond Commission in accordance with existing law not to exceed forty years in duration and to bear interest not to exceed five percent per annum, payable semi-annually, subject to terms of redemption not to exceed one hundred five percent of bond principal.

Effective August 1, 2018.

(Adds R.S. 34:481-490)