

Minutes of the Special Meeting of the Board of Commissioners of the Lake Charles Harbor and Terminal District held at 10:00 A.M., Wednesday, September 1, 2010, in the Board Room of the Port of Lake Charles located at 150 Marine Street, Lake Charles, Louisiana.

In attendance and constituting a quorum, were:

- C. Wade Shaddock, Jr, President
- Walt M. Sanchez, Vice President
- James L. Herford, Secretary/Treasurer
- Harry C. Hank, Assistant Secretary/Treasurer
- Mark T. Abraham, Commissioner
- Kay C. Barnett, Commissioner
- John LeBlanc, Commissioner

Absent:

None

Also Present:

- Bill Rase, Port Director
- Michael K. Dees, General Counsel
- Richert Self, Director of Administration and Finance
- Donald Brinkman, Director of Engineering, Maintenance and Development
- Channing Hayden, Director of Navigation/Security
- Dan Loughney, Director of Sales and Marketing
- Todd Henderson, Director of Operations
- Michelle Bolen, Executive Administrative Assistant

Mr. Shaddock called the meeting to order at 10:00 A.M. Mr. Abraham gave the invocation and Mr. LeBlanc led the Board and audience in the Pledge of Allegiance.

Mr. Shaddock made a statement reminding the Public of the Port's procedure for the Public to address an agenda item to the Board.

Mr. Shaddock recognized Senators Willie Mount and Dan Morrish, Representatives Chuck Kleckley and A. B. Franklin and welcomed them to the Port meeting.

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1. Discussion regarding Board make-up.
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Mr. Shaddock stated the reason they were meeting today concerns the make-up of the Board. He stated that everyone knows that the Board is authorized seven Commissioners on the Board of Commissioners of the Lake Charles Harbor and Terminal District. Of those seven, two are to be minority representatives or one minority and one woman. Since Mr. David Darbone was term limited and replaced the Board does not have a minority

representative. The Board does have a woman, Ms. Barnett. Why and how the Port got to this situation, he does not think is really relevant to the situation. The question is what can or will the Board do to correct the situation. The make-up now is not right. The Board is not in compliance with the legislation.

After considerable study and discussion amongst various Board members and others outside some action has to be taken within this Board. They have decided to come together today as a Board, about this issue, which is in fact a major problem.

Mr. Shaddock called upon Mr. Abraham to give a statement.

Mr. Abraham read the following statement:

“There has been a great deal of discussion in recent weeks relative to no minority representation on the Lake Charles Harbor and Terminal District, known as the Port Board. I believe it’s important to qualify and resolve this issue.

It should be made clear that the Port does not and has never had anything to do with appointing members to the Board. Enabling legislation clearly and legally states that this responsibility lies in the hands of the Legislature and Governor. That being said, the current Port Board through no fault of its own, may possibly be in violation of its enabling legislation. It is therefore vitally important that we maintain the legal status of the Board in order that it may continue its role as the economic development engine of Southwest Louisiana.

I’ve lived here virtually all of my life and have had the pleasure of serving on this Board for almost 7 ½ years. I have always believed that individuals should give back to the community in which they live and am very proud of the accomplishments we’ve been able to achieve. I am equally proud of the team effort displayed by all board members to reach the current, well documented economic turnaround of the Port.

There is no question that our Port of Lake Charles is truly an important economic development entity for all of Southwest Louisiana as well as the rest of the state. It is equally important to the rest of the nation because it serves as a strategic energy corridor.

I always try to evaluate my actions and ask myself if I’m doing the best possible job I can...whether it concerns my business or volunteering for community service. While I still have 8 months remaining on my appointment to the Port Board, I believe I can best serve our community and all of Southwest Louisiana by resigning from the Board effective immediately. I am doing this so that a minority representative can be immediately appointed to the position of Commissioner by the Governor as my replacement. This action will remove any question of the Port Board’s proper legal status.

Again...it has been a distinct pleasure serving on the Board and I stand ready to help in any way I can in the future.

Mark T. Abraham”

Mr. LeBlanc stated he appreciated Mr. Abraham’s leadership he has shown here and appreciates the leadership that he has given him.

Ms. Barnett stated it is honorable that Mr. Abraham has done this and appreciates everything he has done for the Port of Lake Charles and look forward to still being able to work with him in some capacity.

Mr. Herford stated he also thought it is very honorable what he has done and has been very selfless about giving to this Board for almost eight years.

Mr. Hank stated he wanted to thank Mr. Abraham for doing the right thing.

Mr. Shaddock called upon Senator Mount to address the Board.

Senator Mount stated she wanted to thank Mr. Abraham for stepping up to the plate as a leader in this community by doing what is best for the community and for the Port of Lake Charles and the significant impact the Port has for all of us in Southwest Louisiana. He has been in the past and continues to be one who gives freely and willingly as a community leader. She complimented him and thanked him for making this day to enable the Port to continue.

Senator Morrish stated he and Mr. Abraham have been adversaries in the past but because of that election they have become very good friends. Mr. Abraham spoke to him about the situation and told him he had a solution for this. The solution was to do what he did today. Senator Morrish stated Mr. Abraham is a hero in his book. He stepped up to the plate, knew it was the right thing to do and did it. He stated he appreciated that. He also said that more importantly this is bigger than any of us in this room. It is about all of Southwest Louisiana. It is about economic development for this entire community and Mr. Abraham has helped that by his actions today.

Representative Kleckley stated that he thinks the legislation that is in place is ok. He knows what the concerns are. He has heard the concerns. He thinks as far as the Board is concerned they are ok even if Mr. Abraham did not resign. He stated what Mr. Abraham has done today is looked above and beyond. There are several economic projects on the drawing board that are coming up and will be voted on and Mr. Abraham wanted to take any question out if that was going to happen or anything being challenged in court. It is a noble thing and an honorable thing he is doing today. It speaks volumes for him and his character that he looks above and beyond the Port of Lake Charles, this Board and himself to do the right thing for not only Lake Charles but all of Southwest Louisiana.

Someone told him a while back that with the previous Director, his hardest year was when Mr. Abraham was the President of the Port Board. It speaks volumes for Mr. Abraham.

Anyone that knows him knows if he will be the President and in charge of the Port Board he will make that person there, the Port Director, be accountable. That is what he did that year. He held the Port Director accountable. He did not take no for an answer. If no was an answer, he wanted to know why. Again, it speaks volumes for his character. We all can learn a lesson by watching what he did on the Port Board and when he served as President. He came in a very, very difficult time in 2003 and many of the Board also, and has done a great job and one of the reasons the Port is headed in the right direction is because of Mr. Abraham.

Representative Franklin stated when he spoke to Mr. Abraham last Saturday, he told him he hated it had to come to this but something had to be done. He wanted to say how much he appreciated the decision. He addressed the Port Board stating he has always been supportive of the Board and Port. He wanted to continue to support it but was asking for the right thing to be done. He said we need to move forward and get jobs in here and work together and make the Port of Lake Charles a better place for everyone.

Mr. Rase stated that some of the staff were here eight years ago when all of this started with Mr. Abraham's direction in helping the Port Board keeping the Port in the right direction has been very beneficial. He stated that basically as an example of what the Port means to the community he has stepped up way forward in that particular area and has done something that helps the community and Port. He thanked Mr. Abraham for that.

Mr. Shaddock stated he agreed with all of the words spoken by everyone. It has been a rather difficult meeting for him to Chair. Seven years ago, seven members were sworn in by Judge David Painter. Mr. Abraham, Kay C. Barnett and he were in that seven. Since that time they have faced several difficult challenges that were met. As it has been said, Mr. Abraham has served as Secretary/Treasurer, Vice President and President. He has been on some very important committees and Chairman of some of them that in large part have been responsible and promoted and actually brought to fruition some large economic development projects here in Southwest Louisiana and include bringing thousands of jobs in the past and more to come in the future. These accomplishments have been in part not only to Southwest Louisiana but to Louisiana and the nation as a whole. Many people do not realize that the Port is the 11th largest port in the country.

He stated he wanted to thank the current and former Board members as well as the outstanding staff, the last three Port Directors, Dennis Stine, Adam McBride and Bill Rase and legislators that have helped maintain and improve this 11th largest port in the country.

Now at this critical point Mr. Abraham is stepping out in front and taking one for the good of the Port and all that stands for. He thanked him and stated he admired him for doing what he did.

Mr. Sanchez stated he wanted to give his personal thanks for everything Mr. Abraham is doing today and what he has done on behalf of this Port. It is his pleasure on behalf of the other members of this Board to move that a Resolution be appropriately drafted and presented at our next meeting thanking Mark T. Abraham for his years of dedicated service, commitment to this Board and statesmanship. Statesmanship has been defined as a quality

of leadership that organically brings people together and of eldership, not being old, but of a spirit of caring for others and for the whole. Henry Kissinger said of statesmanship, "The task of a statesman is to resolve complexity not to contemplate it." This entire region, this Board, this Port, the country thanks him for his service and for his statesmanship today and during the time he served on this Board. Mr. Herford seconded the motion and it carried unanimously.

2. Executive Session.

- a. West Cameron Port Authority Litigation
- b. Discussion of Potential Litigation with F. Miller and Sons, LLC., et al

Mr. Shaddock asked for a motion to enter into Executive Session. Mr. LeBlanc offered a motion to enter into Executive Session. Mr. Hank seconded the motion and it carried unanimously. The Board entered into Executive Session at 10:18 a.m.

The Board returned from Executive Session at 12:05 p.m. No action was taken.

20. Other Matters which may properly come before the Board.

There being no further business to come before the Board, Mr. Shaddock asked for a motion to adjourn. Ms. Barnett offered a motion to adjourn. Mr. Herford seconded the motion and it carried unanimously.

All discussions held on the above items were recorded on Compact Disc Number 1, and filed in the Executive Offices of the District.

Please note that when the votes are shown as unanimous, it is the policy of the Board that the President does not vote except in the event of a tie vote by the rest of the Board and/or unless otherwise indicated.

C. Wade Shaddock, Jr., President

ATTEST:

James L. Herford, Secretary/ Treasurer