

Minutes of the Regular Meeting of the Board of Commissioners of the Lake Charles Harbor and Terminal District held at 5:00 P.M., Monday, February 28, 2011, 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
Harry C. Hank, Secretary/Treasurer
Kay C. Barnett, Assistant Secretary/Treasurer
Elcie J. Guillory, 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
Dan Loughney, Director of Marketing and Trade Development
Todd Henderson, Director of Operations
Michelle Bolen, Executive Administrative Assistant

Mr. Shaddock called the meeting to order at 5:00 P.M. and asked Mr. LeBlanc to give the invocation. Mr. Sanchez 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.

- 1. Approval of the January 24, 2011 Regular Meeting Minutes.

Mr. Sanchez offered a motion to approve the January 24, 2011 Regular Meeting Minutes. Mr. LeBlanc seconded the motion and it carried unanimously.

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2. Submission 2011 – 006 to approve Commissioners travel to the Washington Economic Conference.
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Mr. Hank offered a motion to adopt Resolution 2011 – 006 to approve Commissioners travel to the Washington Economic Conference. Mr. Sanchez seconded the motion and it carried unanimously. The Commissioners attending were Kay C. Barnett and John LeBlanc.

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3. Submission 2011 – 007 accepting the lowest responsive bid of Deep South Equipment Company in the amount of \$221,929.00 for a new 45,000 lb lift truck.
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Mr. LeBlanc offered a motion to adopt Resolution 2011 – 007 to accept the lowest responsive bid of Deep South Equipment Company in the amount of \$221,929.00 for a new 45,000 lb lift truck. Mr. Guillory seconded the motion and it carried unanimously.

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4. Submission 2011 – 008 authorizing a change order for the rental of a Hyster Lift Truck for the remainder of the BT-1 Dock Rail Rehabilitation project.
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Ms. Barnett offered a motion to adopt Resolution 2011 – 008 to authorize a change order for the rental of a Hyster Lift Truck for the remainder of the BT-1 Dock Rail Rehabilitation project. Mr. Hank seconded the motion and it carried unanimously.

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5. Submission 2011 – 009 authorizing a Foreign Trade Subzone Operating Agreement with Wright Enrichment, Inc.
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Mr. Guillory offered a motion to adopt Resolution 2011 – 009 to authorize a Foreign Trade Subzone Operating Agreement with Wright Enrichment, Inc. Ms. Barnett seconded the motion and it carried unanimously.

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6. Submission 2011 – 010 requesting the House and Senate Governmental Affairs Committees ensure that the areas currently within the Seventh Congressional District remain intact in the final reapportionment plan.
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Mr. Sanchez offered a motion to adopt Resolution 2011 – 010 to request the House and Senate Governmental Affairs Committees ensure that the areas currently within the Seventh Congressional District remain intact in the final reapportionment plan. Mr. LeBlanc seconded the motion and it carried unanimously.

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7. Submission 2011 – 011 approving a Resolution making certain findings with respect to and authorizing the issuance of not to exceed \$310,000,000 Lake Charles Harbor and Terminal District Revenue Bonds (Lake Charles Cogeneration LLC Project) in one or more series; approving the forms of and authorizing the execution and delivery of financing documents; authorizing the execution and delivery of other documents required in connection with the issuance of the Bonds; authorizing the Officers and Trustees of the District to do all things necessary to effectuate this Resolution; and providing for other matters related thereto.
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Ms. Barnett offered a motion to adopt Resolution 2011 – 011 to approve a Resolution making certain findings with respect to and authorizing the issuance of not to exceed \$310,000,000 Lake Charles Harbor and Terminal District Revenue Bonds (Lake Charles Cogeneration LLC Project) in one or more series; approving the forms of and authorizing the execution and delivery of financing documents; authorizing the execution and delivery of other documents required in connection with the issuance of the Bonds; authorizing the Officers and Trustees of the District to do all things necessary to effectuate this Resolution; and providing for other matters related thereto. Mr. Sanchez seconded the motion and it carried unanimously.

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8. Submission 2011 – 013 approving a stevedore license for Francis Drilling Fluids, Inc.
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Mr. LeBlanc offered a motion to adopt Resolution 2011 – 013 to approve a stevedore license for Francis Drilling Fluids, Inc.

Mr. Shaddock recognized Mr. Tom Flanagan, James J. Shipping Corporation, to address the Board.

Mr. Flanagan stated he wanted to speak in support of the license for Francis Drilling Fluids. He appreciates doing business with them and hopes to assist them in any way he can.

Mr. Shaddock recognized Mr. Hillery Langley, President ILA Local 1998, to address the Board.

Mr. Langley stated they have worked very hard on labor issues to entice Francis Drilling Fluids (FDF) to come to the Port. FDF is a great group and the ILA wants to continue their relationship with them here at the Port. They are concerned about any of their workers being displaced. He stated they would like to keep the ILA in business.

Mr. Hank seconded the motion and it carried unanimously.

9. Administrative, Audit and Personnel Committee.

The Committee met on February 22, 2011 to discuss the revisions to the Port's Employee Handbook. Items changed were:

- Changes to the Substance Abuse Policy
- Changes to the Tax Deferred Saving Plan
- Changes to the Travel, Hospitality and Port Promotion Policy
- Changes to the Uniform Policy

Mr. Guillory offered a motion to recommend to the full Board at the February 28, 2011 Regular Board meeting to approve the changes to the District's Employee Handbook. Ms. Barnett seconded the motion and it carried unanimously.

Ms. Barnett offered a motion to adopt Resolution 2011 – 012 to approve the changes to the District's Employee Handbook. Ms. Barnett stated that since this is a Committee recommendation no second to the nomination is required. The motion carried unanimously.

10. Economic Conditions Briefing Note.

The Briefing Note on Economic Conditions was rendered to the Board and is on file in the Executive Offices.

11. January 2011 Financial Briefing Note.

The Briefing Note on the January 2011 Financials was rendered to the Board and is on file in the Executive Offices.

12. Monthly Staff report from General Counsel.

The General Counsel's Monthly Staff Report was rendered to the Board and is on file in the Executive Offices.

13. Monthly Staff report from Director of Administration and Finance.

The Director of Administration and Finance's Monthly Staff Report was rendered to the Board and is on file in the Executive Offices.

14. Monthly Staff report from Director of Navigation and Security.

The Director of Navigation and Security's Monthly Staff Report was rendered to the Board and is on file in the Executive Offices.

15. Monthly Staff report from Director of Terminal Operations.

The Director of Terminal Operations' Monthly Staff Report was rendered to the Board and is on file in the Executive Offices.

16. Monthly Staff report from Director of Marketing and Trade
Development.

The Director of Marketing and Trade Development's Monthly Staff Report was rendered to the Board and is on file in the Executive Offices.

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17. Monthly Staff report from Director of Engineering, Maintenance, and Development.
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The Director of Engineering, Maintenance, and Development's Monthly Staff Report was rendered to the Board and is on file in the Executive Offices.

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18. Monthly Staff report from the State Port Lobbyist.
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The State Port Lobbyist's Monthly Staff Report was rendered to the Board and is on file in the Executive Offices.

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19. Monthly Staff report from the National Port Lobbyist.
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The National Port Lobbyist's Monthly Staff Report was rendered to the Board and is on file in the Executive Offices.

Mr. Shaddock stated that before the Board entered into Executive Session he would like to recognize Mr. Dan Lee, Creative Casinos, who is here to update the Board on the Mojito Pointe Casino project.

Mr. Lee spoke about the Mojito Pointe project and showed several drawings of what the casino offer.

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20. Executive Session.
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Mr. Shaddock asked for a motion to enter into Executive Session. Mr. Sanchez offered a motion to enter into Executive Session. Mr. Guillory seconded the motion and it carried unanimously. The Board entered into Executive Session at 6:10 p.m. to discuss the following items:

- a. West Cameron Port Authority Litigation
- b. Discussion of Potential Litigation with F. Miller and Sons, LLC., et al
- c. Threatened Litigation with Alfred Palma, LLC. and Heyl & Patterson, Inc. concerning PLC-No. 05-CIP-38.

- d. PNK (Lake Charles), LLC vs. Lake Charles Harbor and Terminal District; 14th Judicial District Court; Parish of Calcasieu; State of Louisiana, Case No. : 2010-5508; Division: A

The Board returned from Executive Session at 6:54 p.m. No action was taken in Executive Session.

21. 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. Mr. Sanchez offered a motion to adjourn. Mr. Leblanc seconded the motion and it carried unanimously. The meeting adjourned at 6:54 p.m.

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. W. Shaddock, Jr., President

ATTEST:

H. C. Hank, Secretary/ Treasurer