

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, May 23, 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
- Richert Self, Director of Administration and Finance
- Donald Brinkman, Director of Engineering, Maintenance and 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. Ms. Barnett 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. GFOA Award Presentation.
-

Mr. Shaddock presented Mr. Self a Government Finance Officers Association (GFOA) award for excellence in financial reporting for the year of 2009.

Mr. Hank read the Certificate of Achievement which stated the Lake Charles Harbor and Terminal District has earned this recognition in the area of governmental accounting and financial reporting.

Statements were made by the Port Commissioners for public record as the award was presented to Richert Self.

"I have been here a short time, about seven months, and have to say Ricky does a super job. I have served on government boards and in the legislature but you are one of the best I

have seen. The meat of this port is finance and he does a super job. Thank you for everything you've done", said Mr. Guillory.

Mr. Shaddock stated, "Ricky, you and your staff have performed admirably. All of the Commissioners, the Port Director and staff are proud of you and congratulate you on this award."

Ms. Barnett commented, "This has been received now from 2004 – 2009 and that says a lot as well. Having served eight years now on this Board and being on the Administration, Audit and Personnel Committee for those years, it has been a pleasure working with Ricky and learning as much as I have from him and his department."

Jason Guillory, McElroy, Quirk and Burch, APC also commented about the Accounting Department and Ricky Self.

"We have been the auditing firm the entire tenure Ricky has been with the Port. It has been his pleasure to work with Ricky over that time. Not only does he do a great job himself but he has done a great job of assembling and cultivating a staff around him that does a great job. Accounting and internal control set the tone for what goes on and Ricky sets the tone of professionalism and integrity.

As an outsider who comes in and deals with each one of his people in his department he sees those same values reflected back to him. As an auditor that gives me a great sense of comfort to know that people are operating with that mindset. I have observed Ricky's abilities in budgeting for the Port and the financial reporting aspect and as an outsider he is truly an asset of the District."

-
- 2. Approval of the April 25, 2011 Regular Meeting Minutes.
-

Mr. Sanchez offered a motion to approve the April 25, 2011 Regular Meeting Minutes. Ms. Barnett seconded the motion and it carried unanimously.

-
- 3. Submission 2011 – 023 authorizing the attendance of Board Commissioners Elcie Guillory and Harry C. Hank at the 2011 AAPA Commissioners Conference in Biloxi, MS.
-

Mr. LeBlanc offered a motion to adopt Resolution 2011 – 023 to authorize the attendance of Board Commissioners Elcie Guillory and Harry C. Hank at the 2011 AAPA Commissioners conference and payment of expenses associated with the conference. Ms. Barnett seconded the motion and it carried unanimously.

-
4. Submission 2011 – 024 adopting a list of 2011 Legislative bills affecting the Port, and authorizing the Port Director, in consultation with the Board President, to take such actions as are appropriate and responsible to achieve the District’s desired outcomes with respect to these bills.
-

Mr. Hank offered a motion to adopt Resolution 2011 – 024 to adopt a list of 2011 Legislative bills affecting the Port, and authorizing the Port Director, in consultation with the Board President, to take such actions as are appropriate and responsible to achieve the District’s desired outcomes with respect to these bills. Mr. Sanchez seconded the motion and it carried unanimously.

-
5. Submission 2011 – 025 accepting the lowest responsive bids of Applied Industrial Technologies for new conveyor belting.
-

Mr. LeBlanc offered a motion to adopt Resolution 2011 – 025 to accept the lowest responsive bid of Applied Industrial Technologies for new conveyor Belting. Mr. Hank seconded the motion and it carried unanimously.

-
6. Submission 2011 – 026 authorizing the advertisement and receipt of bids for the new loop tracks at City Docks.
-

Mr. Guillory offered a motion to adopt Resolution 2011 – 026 to authorize the advertisement and receipt of bids for the new loop tracks at City Docks. Mr. Hank seconded the motion and it carried unanimously.

-
7. Submission 2011 – 027 accepting the lowest responsive bid of Scott-Macon Equipment Louisiana, Inc. in the amount of \$94,073 for a new 60 foot man lift.
-

Ms. Barnett offered a motion to adopt Resolution 2011 – 027 to accept the lowest responsive bid of Scott-Macon Equipment Louisiana, Inc. in the amount of \$94,073 for a new 60 foot man lift. Mr. LeBlanc seconded the motion and it carried unanimously.

-
8. Submission 2011 – 028 acknowledging, declaring, and certifying that an extreme public emergency does exist necessitating the entering into of a contract, immediately, for dredging of the dock area at Bulk Terminal No. 1 and repairing the dock at berth 6 damaged on Thursday, May 19, 2011 by the Tug Earl.
-

Mr. Sanchez offered a motion to adopt Resolution 2011 – 028 to acknowledge, declare, and certify that an extreme public emergency does exist necessitating the entering into of a contract, immediately, for dredging of the dock area at Bulk Terminal No. 1 and repairing the dock at berth 6 damaged on Thursday, May 19, 2011 by the Tug Earl. Mr. Hank seconded the motion and it carried unanimously.

-
9. Submission 2011 – 029 authorizing a Cooperative Endeavor Agreement for Adjudicated property.
-

Mr. Guillory offered a motion to adopt Resolution 2011 – 029 to authorize a Cooperative Endeavor agreement for Adjudicated Property. Mr. Sanchez seconded the motion and it carried unanimously.

-
10. Submission 2011 – 030 authorizing the execution of a First Supplemental Trust Indenture with respect to the issuance of \$90,000,000 Lake Charles Harbor and Terminal District Revenue Bonds (Lake Charles Cogeneration LLC Project) series 2010; and providing for other matters in connection therewith.
-

Ms. Barnett offered a motion to adopt Resolution 2011 – 030 to authorize the execution of a First Supplemental Trust Indenture with respect to the issuance of \$90,000,000 Lake Charles Harbor and Terminal District Revenue Bonds (Lake Charles Cogeneration LLC Project) series 2010; and providing for other matters in connection therewith. Mr. Hank seconded the motion and it carried unanimously.

-
11. Submission 2011 – 031 authorizing the execution of a First Supplemental Trust Indenture with respect to the issuance of \$160,000,000 Lake Charles Harbor and Terminal District Revenue Bonds (Lake Charles Cogeneration LLC Project) series 2010; and providing for other matters in connection therewith.
-

Mr. Sanchez offered a motion to adopt Resolution 2011 – 031 to authorize the execution of a First Supplemental Trust Indenture with respect to the issuance of \$160,000,000 Lake

Charles Harbor and Terminal District Revenue Bonds (Lake Charles Cogeneration LLC Project) series 2010; and providing for other matters in connection therewith. Ms. Barnett seconded the motion and it carried unanimously.

-
- 12. Submission 2011 – 032 authorizing the Port Director to take all necessary steps and execute any and all documents to form a separate non-profit corporation and obtain all approvals to create a wholly owned corporate subsidiary of the District. To establish and operate a short line railroad to perform needed rail car switching and other needed rail services to enhance, assist, and enable the functions and operations of the District.
-

Mr. LeBlanc offered a motion to adopt Resolution 2011 – 032 to authorizing the Port Director to take all necessary steps and execute any and all documents to form a separate non-profit corporation and obtain all approvals to create a wholly owned corporate subsidiary of the District. To establish and operate a short line railroad to perform needed rail car switching and other needed rail services to enhance, assist, and enable the functions and operations of the District. Mr. Hank seconded the motion and it carried unanimously.

-
- 13. Submission 2011 – 033 authorizing a contract for a specialized engineering consultant.
-

Ms. Barnett offered a motion to adopt Resolution 2011 – 033 to authorize a contract for a specialized engineering consultant. Mr. Hank seconded the motion and it carried unanimously.

-
- 14. Submission 2011 – 036 approving the Election of Officers.
-

Ms. Barnett offered a motion to adopt Resolution 2011 – 036 to elect the following as Officers from July 1, 2011 – July 1, 2012:

- Mr. Sanchez as President
- Mr. Hank as Vice President
- Mr. LeBlanc as Secretary/Treasurer
- Mr. Guillory as Assistant Secretary/Treasurer

Mr. Guillory seconded the motion and it carried unanimously.

15. Submission 2011 - 037 deleted from agenda.

Mr. Shaddock announced this Submission will be deleted from the agenda.

16. Submission 2011 – 038 deleted from agenda.

Mr. Shaddock announced this Submission will be deleted from the agenda.

17. Administrative, Audit and Personnel Committee.

The Committee met on May 23, 2011 to discuss the District’s audited financial statements for the year ended December 31, 2010 and 2009 and the audit engagement.

Ms. Barnett offered a motion to adopt Resolution 2011 – 034 to receive and accept the lowest responsive bid audited financial statements as of and for the years ended December 31, 2010 and 2009. Being a Committee recommendation no second to the motion is needed. The motion passed unanimously.

Mr. Jason Guillory, McElroy, Quirk and Burch, APC, stated the Port earned an “unqualified opinion” this year.

Ms. Barnett offered a motion to adopt Resolution 2011 – 035 to award the contract for the District’s audit for fiscal years ending December 31, 2011, 2012, and 2013 to McElroy, Quirk and Burch. Being a Committee recommendation no second to the motion is needed. The motion passed unanimously.

18. April 2011 Financials Briefing Note.

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

19. 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.

20. 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.

21. 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.

22. 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.

23. 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.

24. Monthly Staff report from Director of Engineering, Maintenance, and
Development.

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

25. Monthly Staff report from the State Port Lobbyist.

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

26. Monthly Staff report from the National Port Lobbyist.

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

27. Executive Session.

Mr. Shaddock asked for a motion to enter into Executive Session. Ms. Barnett offered a motion to enter into Executive Session. Mr. Sanchez seconded the motion and it carried unanimously. The Board entered into Executive Session at 6:00 p.m. to discuss the following item:

- a. 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 6:41 p.m. No action was taken in Executive Session.

28. 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. Hank offered a motion to adjourn. Mr. Guillory seconded the motion and it carried unanimously. The meeting adjourned at 6:41 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