

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, August 22, 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:

Walter M. Sanchez, President
Harry C. Hank, Vice President
Elcie J. Guillory, Assistant Secretary/Treasurer
Daryl V. Burckel, Commissioner
Barbara M. McManus, Commissioner

Absent:

John L. LeBlanc, Secretary/Treasurer

Also Present:

Bill Rase, Port Director
Michael K. Dees, General Counsel
Richert Self, Director of Administration and Finance
Todd Henderson, Director of Operations
Dan Loughney, Director of Marketing and Trade Development
Michelle Bolen, Executive Administrative Assistant

Mr. Sanchez called the meeting to order at 5:00 P.M. and asked Mr. Guillory to give the invocation. Ms. McManus led the Board and audience in the Pledge of Allegiance.

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

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1. Approval of the July 25, 2011 Regular Meeting Minutes and the August 11, 2011 Special Meeting Minutes.
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Mr. Burckel offered a motion to approve the July 25, 2011 Regular Meeting Minutes and the August 11, 2011 Special Meeting Minutes. Ms. McManus seconded the motion and it carried unanimously.

Mr. Sanchez stated the Board would consider Item Number 6 on the agenda and recognized Mr. Dan Lee, Creative Casinos, LLC. Mr. Sanchez stated the Board was to reconsider Submission 2011 – 048 as stated below.

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6. Reconsideration of Submission 2011 – 048 authorizing the entering into of an Amended Conditional Real Estate Lease Option Agreement with Creative Casinos, LLC and a Cooperative Endeavor Development Agreement with the City of Lake Charles, Calcasieu Parish Police Jury and Creative Casinos of Louisiana, LLC.
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Mr. Sanchez asked for a motion to put the issue before the Board. Mr. Hank offered a motion to reconsider Submission 2011 – 048. Ms. McManus seconded the motion.

Mr. Sanchez asked Mr. Lee to address the Board. Mr. Lee stated that when they first negotiated the lease a year ago there was some discussion about when everything would be built and that was the reason for the \$15 million in the first place. He appreciated the action taken last week by the Board. He stated the position really became somewhat onerous because when they start construction they had to put \$25 million in escrow.

Mr. Hank offered a motion to reconsider Submission 2011 – 048 to amend the \$5 million deposit to be returned to Creative Casinos at the casino's opening. Mr. Guillory seconded the motion.

Mr. Sanchez stated that he was under the assumption that the \$5 million was coming back at opening. He did not know that the way it was structured had it tied up any longer than that. From his perspective, as a member of the Commission, with \$400 plus million dollars of hard dollar infrastructure and ground, at that point, once it is open that the extra collateral is minimal and provides no long term benefit. Mr. Sanchez stated they all have recognized the markets have been a bit uneven lately. To the extent that poses any kind of impediment to Mr. Lee's financing he believes it is an excellent idea to modify the resolution. He stated that what the Port is doing is will be exactly the same thing as the State Gaming Control Board. The Port's deposit will not be returned to Mr. Lee any sooner than their money is returned to them. He stated it was an excellent idea.

Mr. Dees stated for review, the deposit goes from \$15 to \$5 million. The monthly rent comes out of the \$5 million as construction moves forward and once construction is completed, the deposit goes away and there is no return feature or spring back feature because the earnings might drop two, three or five years down.

Mr. Sanchez called for a vote on the reconsideration of the Resolution. The issue carried unanimously.

Mr. Sanchez then called for a vote on the revised Resolution. The motion carried unanimously.

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2. Public Hearing concerning consideration and appropriate action relating to an application to create a non-profit economic development corporation, presently contemplated to be named Port Rail Link, Inc., under the provisions of LA. R. S. 33:9021-9039 and other applicable law. Submission 2011 – 050 authorizing the creation of Port Rail Link, Inc., (a non-profit economic development corporation); approving certain applications and documents related to such creation and making certain findings and declarations with respect thereto.
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Mr. Sanchez stated the Port is holding a Public Hearing concerning the consideration and appropriate action relating to the creation of a non-profit corporation, Port Rail Link, Inc.

Mr. Sanchez stated it was 5:13 p.m. and asked if there were any comments from the Public to address the Board.

Mr. Sanchez recognized Mr. David Perry to address the Board. Mr. Perry asked about a separate Board for the non-profit railroad corporation. Mr. Dees stated the Board would consist of the Port Director, President of the Board of Commissioners and three other non public officials. The proposed members are former Board of Commissioners: Mr. C. Wade Shaddock, Jr., Ms. Kay C. Barnett and Mr. Fred R. Godwin. These three cannot be sitting Board of Commissioners nor be any other public official.

Ms. McManus offered a motion to adopt Resolution 2011 – 047 to authorize the Port to enter into a professional services agreement with Shaw Environmental & Infrastructure. Mr. Guillory seconded the motion and it carried unanimously.

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3. Submission 2011 – 051 accepting the proposal of USA Environment, LP for demolition of BT-6.
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This submission was deferred until a later time.

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4. Submission 2011 – 052 approving the purchase of a New Volvo L180 Front End Wheel Loader.
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Mr. Guillory offered a motion to adopt Resolution 2011 – 052 to approve the purchase of a new Volvo L180 Front end Wheel Loader. Mr. Hank seconded the motion and it carried unanimously.

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5. Submission 2011 – 053 authorizing the attendance of Board Commissioners, Elcie Guillory, Harry C. Hank, Barbara McManus, John LeBlanc and Daryl Burckel at the 2011 AAPA Annual Conference to be held September 11 – 16, 2011 in Seattle, WA and payment of expenses associated with the conference.
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Ms. McManus offered a motion to adopt Resolution 2011 – 053 to authorize the attendance of Board Commissioners, Elcie Guillory, Harry C. Hank, Barbara McManus, John LeBlanc and Daryl Burckel at the 2011 AAPA Annual Conference to be held September 11 – 16, 2011 in Seattle, WA and payment of expenses associated with the conference. Mr. Burckel seconded the motion and it carried unanimously.

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7. July Financials Briefing Note.
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The Briefing Note on the District Forecast II was rendered to the Board and is on file in the Executive Offices.

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

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

10. 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.

11. 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.

12. 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.

13. 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.

14. 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.

15. 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.

 16. Executive Session.

Mr. Sanchez stated the Board would not enter into Executive Session.

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

Mr. Sanchez stated there was one Other Matter to be addressed to the Board concerning the sale of scrap rail, designated as surplus property and ratifying the Port Director's prior action for selling said scrap rail. Mr. Sanchez asked for a motion to add this item to the agenda. Mr. Hank offered a motion to add the item to the agenda. Ms. McManus seconded the motion and it carried unanimously.

Mr. Hank offered a motion to adopt Resolution 2011 – 054 to authorize the sale of one lot of scrap rail, designated as surplus property and ratifying the Port Director's prior action for selling said scrap rail. Ms. McManus seconded the motion and it carried unanimously.

There being no further business to come before the Board, Mr. Sanchez asked for a motion to adjourn. Mr. Hank offered a motion to adjourn. Ms. McManus seconded the motion and it carried unanimously. The meeting adjourned at 5:26 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.

WALTER M. SANCHEZ, President

ATTEST:

JOHN L. LEBLANC, Secretary/ Treasurer