

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, November 24, 2008, 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:

- Harry C. Hank, President
- Kay C. Barnett, Vice President
- Mark T. Abraham, Secretary/Treasurer
- David J. Darbone, Commissioner
- C. Wade Shaddock, Jr., Commissioner

Absent:

- Stephen L. Hebert, Assistant Secretary/Treasurer
- Fred R. Godwin, Commissioner

Also Present:

- R. Adam McBride, Port Director
- Bill Rase, Director of Operations
- Donald Brinkman, Director of Engineering, Maintenance and Development
- Richert Self, Director of Administration and Finance
- Derek Schierloh, Marketing Manager
- Michelle Bolen, Administrative Assistant

Mr. Hank called the meeting to order at 5:00 P.M. and Mr. Abraham gave the invocation. Mr. Shaddock led the Board and audience in the Pledge of Allegiance.

Mr. Hank 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 October 20, 2008 Special Meeting Minutes.
-

Mr. Shaddock offered a motion to approve the October 20, 2008 Special Meeting Minutes. Mr. Darbone seconded the motion and it carried unanimously.

2. Submission 2008 – 086 authorizing Harry C. Hank to travel to Mombasa, Kenya to tour the Grain Bulk Handlers Limited grain terminal facility.
-

Ms. Barnett offered a motion to adopt Resolution 2008 – 086 to authorize Harry C. Hank to travel to Mombasa, Kenya to tour the Grain Bulk Handlers Limited grain terminal facility. Mr. Darbone seconded the motion and it carried unanimously.

3. Submission 2008 – 087 to amend and supplement the previous authorization for the issuance of debt to settle pending litigation with Gloria Booth, et al.
-

Mr. Shaddock offered a motion to adopt Resolution 2008 – 087 to amend and supplement the previous authorization for the issuance of debt to settle pending litigation with Gloria Booth, et al. Ms. Barnett seconded the motion and it carried unanimously.

4. Submission 2008 – 088 approving a Sabine Beneficial Use Project.
-

Mr. Darbone offered a motion to adopt Resolution 2008 – 088 to approve a Sabine Beneficial Use Project. Mr. Shaddock seconded the motion and it carried unanimously.

5. Submission 2008 – 089 authorizing the District to enter into a lease agreement with S&I Railroad.
-

Mr. Darbone offered a motion to adopt Resolution 2008 – 089 to authorize the District to enter into a lease agreement with S&I Railroad for two locomotives for an initial period of three years beginning in January 2009 and year to year subsequent to the initial period. Ms. Barnett seconded the motion and it carried unanimously.

6. Submission 2008 – 090 approving District Tariff No. 012 revisions.
-

Mr. Abraham offered a motion to adopt Resolution 2008 – 090 to approve District Tariff No. 012 revisions. Mr. Shaddock seconded the motion and it carried unanimously.

- 7. Submission 2008 – 091 accepting the lowest responsive bid of Polaris Construction, Inc. in the amount of \$618,000 for the Ship Loader Boom Replacement.

Ms. Barnett offered a motion to adopt Resolution 2008 – 091 to accept the lowest responsive bid of Polaris Construction, Inc. in the amount of \$618,000 for the Ship Loader Boom Replacement. Mr. Abraham seconded the motion and it carried unanimously.

- 8. Ad Hoc Committee on Strategic Planning Consultant Review

The Committee met on November 3, 2008 to discuss a consultant to develop a Strategic Plan for the Port.

The Committee chose Martin Associates as the consultant best suited to develop a Strategic Plan and decided to recommend them to the full Board at the November 24, 2008 board meeting.

Mr. Hank asked for a motion to recommend Martin Associates. Mr. Shaddock offered a motion to adopt Submission 2008 – 092 authorizing the Port Director to negotiate a contract with Martin Associates for development of a Strategic Plan for the Port. Ms. Barnett seconded the motion and it carried unanimously.

- 9. Business, Intergovernmental and Governmental Committee.

The Committee met on November 17, 2008 to discuss the final version of a Disadvantaged Business Enterprise policy, final revisions to the Profession Services Policy and Exclusivity.

Mr. Abraham stated the Committee recommended the full Board adopt Resolution 2008 – 093 to approve a District policy for a Disadvantaged Business Enterprise (DBE) Program. Being a Committee nomination, no second to the motion is needed. The motion passed unanimously.

Mr. Abraham stated the Committee recommended the full Board adopt Resolution 2008 – 094 to approve a revised District Policy concerning bidding for construction, purchases, and professional services. Being a Committee nomination, no seconded to the motion is needed and the motion and it carried unanimously.

Mr. Abraham stated the Committee also discussed the issue of exclusivity. No decision was made at the meeting.

Mr. Hank recognized Mr. Jamie Warshaw, Farmer’s Rice Mill, to address the Board at this time. Mr. Warshaw stated his company would prefer the Port not give exclusivity to one

stevedore. They would like the opportunity to look at other vendors to supply their services. They need that door open to get the best business they can.

Mr. Hank also recognized Mr. Tom Flanagan to address the Board. He stated they have been trying to bring the Port together this last year. They never set out to be decisive.

They are budgeting for 3,000 – 4,000 new pallets and repair of 8,000 pallets. This will be a new project and will cost around \$300,000 – 400,000.

They feel they have accomplished a lot to narrow the gap with their biggest competitor Jacintoport.

Ms. Barnett asked what kind of time frame for exclusivity was he wanting – a year? Mr. Flanagan responded that he would like a year.

Mr. Warshaw addressed the Board again to state that his rates have gone up 66% since Flanagan took over at the Port.

After much discussion the Board decided to defer this item until the December 19, 2008 Board meeting.

10. Industrial Track Agreement Briefing Note.

The Briefing Note regarding the Industrial Track Agreement was rendered to the Board and is on file in the Executive Offices.

11. October 2008 Financials Briefing Note.

The Briefing Note regarding the October 2008 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.

17. 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.

18. 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.

19. 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.

20. Executive Session.

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

Mr. Hank stated the Board would not be entering into Executive Session.

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

There being no further business to come before the Board, on a motion made by Ms. Barnett seconded by Mr. Darbone and approved unanimously among those present the meeting adjourned.

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.

H. C. Hank, President

ATTEST:

Mark T. Abraham, Secretary/ Treasurer