

Minutes of the Regular Meeting of the Board of Commissioners of the Lake Charles Harbor and Terminal District held at 5:00 P.M., Tuesday, May 29, 2012, 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
- John L. LeBlanc, Secretary/Treasurer
- Elcie J. Guillory, Assistant Secretary/Treasurer
- Daryl V. Burckel, Commissioner
- Dudley R. Dixon, Commissioner
- Barbara M. McManus, Commissioner

Absent:

None

Also Present:

- Bill Rase, Executive Director
- Michael K. Dees, General Counsel
- Richert Self, Director of Administration and Finance
- Channing Hayden, Director of Navigation/Security
- Donald Brinkman, Director of Engineering, Maintenance and Development
- 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. LeBlanc to give the invocation. Mr. Dixon 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.

Mr. Sanchez welcomed U. S. Congressman Jeff Landry to address the Board. Congressman Landry introduced himself to the Board and addressed items of concern to the Board and the District.

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1. Approval of the April 23, 2012 Regular Meeting Minutes.
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Mr. Dixon offered a motion to approve the April 23, 2012 Regular Meeting Minutes. Dr. Burckel seconded the motion and it carried unanimously.

Mr. Sanchez stated he would like to move to Item 12 on the agenda. He introduced Mr. Jason Guillory, McElroy, Quirk and Burch, to address the Board to give the results of the District's 2011 audit findings. Mr. Guillory stated the audit went well and they issued an "unqualified" opinion to the District, which is the highest opinion that can be given. Also, they issued a report on the District's internal control on financial reporting and its compliance with laws and regulations. They reported "no findings" on this matter for the District.

Mr. Self gave a summary of the audit presentation.

Mr. Hank stated the Administration, Audit and Personnel Committee met on May 22, 2012 to discuss the District's audited financial statements for the year ending December 31, 2011 and 2010.

Mr. Jason Guillory, McElroy, Quirk and Burch, APC presented the audit findings.

Mr. Hank, Chairman, stated the Committee recommends a motion to adopt Resolution 2012 – 032 to accept and adopt the District's audited financials as of and for the year ended December 31, 2011 and 2010. Being a Committee recommendation, no second to the motion is needed. The motion passed unanimously.

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2. Submission 2012 – 022 approving the attendance of Commissioners Barbara McManus, Daryl Burckel and John LeBlanc at the 2012 AAPA Commissioners Conference to be held June 25 – 29, 2012 in Montreal, Canada.
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Mr. Guillory offered a motion to adopt Resolution 2012 – 022 approving the attendance of Commissioners Barbara McManus, Daryl Burckel and John LeBlanc at the 2012 AAPA Commissioners Conference to be held June 25 – 29, 2012 in Montreal, Canada and payment of expenses associated with the conference. Mr. Dixon seconded the motion and it carried unanimously.

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3. Submission 2012 – 023 authorizing the approval of a change order related to the Truck Receiving Station at BT-1, PLC No. CP11007.
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Dr. Burckel offered a motion to adopt Resolution 2012 – 023 to authorize the approval of a change order related to the Truck Receiving Station at BT-1, PLC No. CP11007. Ms. McManus seconded the motion and it carried unanimously.

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4. Submission 2012 – 024 authorized the advertisement and receipt of bids for the Port Improvements, Railroad Improvements and Ladder Tracks at City Docks.
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Ms. McManus offered a motion to adopt Resolution 2012 – 024 to authorize the advertisement and receipt of bids for the Port Improvements, Railroad Improvements and Ladder Tracks at City Docks; SPN 578-10-1026/H.003580.3 (321). Mr. Guillory seconded the motion and it carried unanimously.

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5. Submission 2012 – 025 amending the 2012 Capital Budget and accepting the lowest responsive bid of Polaris Construction, Inc. for the BT-1 Ship Loader Shuttle Drive Rework.
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Mr. Dixon offered a motion to adopt Resolution 2012 – 025 to amend the 2012 Capital Budget and accept the lowest responsive bid lowest responsive bid of Polaris Construction, Inc. for the BT-1 Ship Loader Shuttle Drive Rework. Mr. LeBlanc seconded the motion and it carried unanimously.

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6. Submission 2012 – 026 authorizing the Executive Director to approve the amendment of the 2012 Operating and Capital Budgets.
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Mr. LeBlanc offered a motion to adopt Resolution 2012 – 026 to authorize the Executive Director to approve the amendment of the 2012 Operating and Capital Budgets. Dr. Burckel seconded the motion and it carried unanimously.

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7. Submission 2012 – 027 adopting a Zone Schedule for Foreign-Trade Zone 87.
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Ms. McManus offered a motion to adopt Resolution 2012 – 027 to adopt a Zone Schedule for Foreign-Trade Zone 87. Mr. LeBlanc seconded the motion and it carried unanimously.

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8. Submission 2012 – 028 authorizing a Seventh Amendment to Ground Lease with Lake Charles Cogeneration, LLC.
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Dr. Burckel offered a motion to adopt Resolution 2012 – 028 to authorize a Seventh Amendment to Ground Lease with Lake Charles Cogeneration, LLC. Mr. Dixon seconded the motion and it carried unanimously.

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- 9. Submission 2012 – 029 suspending the issuance of additional stevedoring permits to companies not currently licensed as a stevedore by the District.
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Mr. Guillory offered a motion to adopt Resolution 2012 – 029 to suspend the issuance of additional stevedoring permits to companies not currently licensed as a stevedore by the District. Ms. McManus seconded the motion and it carried unanimously.

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- 10. Submission 2012 – 030 authorizing the issuance of not to exceed \$50,000,000 Lake Charles Harbor and Terminal District revenue bonds (Lake Charles Clean Energy, LLC project).
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Dr. Burckel offered a motion to adopt Resolution 2012 – 030 to authorize the issuance of not to exceed \$50,000,000 Lake Charles Harbor and Terminal District revenue bonds (Lake Charles Clean Energy, LLC project), . Ms. McManus seconded the motion and it carried unanimously.

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- 11. Submission 2012 – 031 approving the revision to the Port of Lake Charles Tariff No. 013.
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Mr. LeBlanc offered a motion to adopt Resolution 2012 – 031 to approve the revision to the Port of Lake Charles Tariff No. 013. Dr. Burckel seconded the motion and it carried unanimously.

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- 12. Administrative, Audit and Personnel Committee.
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This item was presented earlier in the Board Meeting after the minutes.

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- 13. 2012 Capital Improvements Update Briefing Note.
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The Briefing Note on the 2012 Capital Improvements was rendered to the Board and is on file in the Executive Offices.

- 14. April 2012 Financials Briefing Note.  
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The Briefing Note on the April 2012 Financials was rendered to the Board and is on file in the Executive Offices.

- 15. 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.

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

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

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

- 19. 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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20. 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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21. 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.

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22. Other Matters which may properly come before the Board.  
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There being no further business to come before the Board, Mr. Sanchez asked for a motion to adjourn. Mr. LeBlanc offered a motion to adjourn. Dr. Burckel seconded the motion and it carried unanimously. The meeting adjourned at 5:38 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.

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WALTER M. SANCHEZ, President

ATTEST:

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JOHN L. LEBLANC, Secretary/ Treasurer