

Minutes of the Special Meeting of the Board of Commissioners of the Lake Charles Harbor and Terminal District held at 5:00 P.M., Wednesday, June 22, 2016 in the Board Room of the Port of Lake Charles located at 751 Bayou Pines, Suite A, Lake Charles, Louisiana.

In attendance and constituting a quorum, were:

- Barbara M. McManus, President
- Daryl V. Burckel, Vice President
- Dudley R. Dixon, Secretary/Treasurer
- Michael G. Eason, Assistant Secretary/Treasurer
- Elicie J. Guillory, Commissioner
- John LeBlanc, Commissioner
- Walter M. Sanchez, Commissioner

Absent:

None

Also Present:

- Bill Rase, Executive Director
- Richert Self, Director of Administration and Finance
- Jon Ringo, Assistant General Counsel
- Todd Henderson, Director of Operations
- Donald Brinkman, Director of Security, Engineering, Maintenance and Development
- Nick Pestello, Assistant Director of Engineering, Maintenance and Development
- Michelle Bolen, Executive Administrative Assistant

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

Ms. McManus asked if there was any public comment regarding any items on the agenda. Ms. McManus stated there were no public comments to be heard.

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1. Notice of Public Hearing
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Ms. McManus read the following statement regarding a Notice of Public Hearing concerning the levying of the District's ad valorem tax.

"Notice is hereby given pursuant to Article 7, Section 23(C) of the Louisiana Constitution and R. S. 47:1705(B) that a public hearing of the Lake Charles Harbor and Terminal District in Calcasieu Parish will be held at its regular meeting place at the Administration Offices, 751 Bayou Pines East, Suite A, Lake Charles, LA on Monday, July 25, 2016 at 4:45 p.m. to consider levying additional or increased millage rates

without further voter approval or adopting the adjusted millage rates after reassessment and rolling forward to rates not to exceed the prior year's maximum. The estimated amount of tax revenues to be collected in the next year from the increased millage is \$3,378,697, and the amount of increase in taxes attributable to the millage increased is \$170,644.

The Board of Commissioners will consider appropriate action regarding levying the ad valorem tax at the July 25, 2016 Regular meeting to be held at 5:00 p.m. at 751 Bayou Pine, Suite A, Lake Charles, LA.”

2. Approval of the May 23, 2016 Regular Meeting Minutes.

Mr. LeBlanc offered a motion to approve the May 23, 2016 Regular Meeting Minutes. Mr. Guillory seconded the motion and it carried unanimously.

Ms. McManus stated there was one item to be added to the agenda. Submission 2016 – 036, which will authorize the Executive Director to amend the original authorization for the professional service agreement with Split Rock Studios. Mr. Sanchez offered a motion to add Submission 2016 – 036 to the agenda. Dr. Burckel seconded the motion and it carried unanimously and the item was added to the agenda. It will be voted on at the end of the other submissions.

3. Submission 2016 – 030 authorizing the District to enter into a professional services agreement for Construction Management At-Risk services with Alfred Palma, LLC.

Mr. LeBlanc offered a motion to adopt Resolution 2016 – 030 to authorize the District to enter into a professional services agreement for Construction Management At-Risk services with Alfred Palma, LLC. Mr. Eason seconded the motion and it carried unanimously.

4. Submission 2016 – 031 accepting the lowest responsive bids of Duecker Rubber Service for new conveyor belting.

Mr. Dixon offered a motion to adopt Resolution 2016 – 031 to accept the lowest responsive bids of Duecker Rubber Service for new conveyor belting. Mr. LeBlanc seconded the motion and it carried unanimously.

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5. Submission 2016 – 032 approving revisions to the Port of Lake Charles Tariff No. 013.
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Mr. Eason offered a motion to adopt Resolution 2016 – 032 to approve revisions to the Port of Lake Charles Tariff No. 013. Dr. Burckel seconded the motion and it carried unanimously.

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6. Submission 2016 – 033 authorizing a short-term Lease Agreement with CCJV.
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Mr. Guillory offered a motion to adopt Resolution 2016 – 033 to authorizing a short-term Lease Agreement with CCJV. Mr. Eason seconded the motion and it carried unanimously.

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7. Submission 2016 – 034 authorizing a Foreign-Trade Subzone Operating Agreement with CITGO Petroleum Corporation.
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Mr. LeBlanc offered a motion to adopt Resolution 2016 – 034 to authorizing a Foreign-Trade Subzone Operating Agreement with CITGO Petroleum Corporation. Dr. Burckel seconded the motion and it carried unanimously.

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8. Submission 2016 – 029 approving the Board of Commissioners Election of Officers beginning July 1, 2016 through June 30, 2017.
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Mr. Sanchez offered a motion to adopt Resolution 2016 – 029 to approve the nomination of officers for the year beginning July 1, 2016 through June 30, 2017 as follows:

President	Dr. Daryl V. Burckel
Vice President	Mr. Dudley R. Dixon
Secretary/Treasurer	Mr. Michael Eason
Asst. Secretary/Treasurer	Mr. Walt M. Sanchez

Mr. LeBlanc seconded the motion and it carried unanimously.

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9. Submission 2016 – 036 authorizing the Executive Director to amend the original authorization for the professional service agreement with Split Rock Studios.
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Mr. LeBlanc offered a motion to adopt Resolution 2016 – 036 to authorizing a Foreign-Trade Subzone Operating Agreement with CITGO Petroleum Corporation. Dr. Burckel seconded the motion and it carried unanimously.

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10. Administration, Personnel and Audit Committee.
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Dr. Burckel stated the Committee met to discuss the audited financial statements as of and for the year ended December 31, 2015.

Dr. Burckel asked Mr. Self to discuss the audit. Mr. Self presented the Introduction section of the audit. He then asked Mr. Jason Guillory of McElroy, Quirk and Burch, APC, to present the audited financial statements for the year ending December 31, 2015.

Mr. Guillory stated the Port received an “Unqualified” opinion for the audit which means the Port had a “clean” audit.

Mr. Sanchez offered a motion to adopt Resolution 2016 – 035 and recommend to the full Board at the June 22, 2016 Special Board meeting to accept and adopt the District’s audited financials as of and for the year ended December 31, 2015. Dr. Burckel seconded the motion and it carried unanimously.

Dr. Burckel offered a motion to adopt Resolution 2016 – 035 to receive and accept the audited financial statements as of and for the year ended December 31, 2015. Being a Committee recommendation, no second is needed to the motion. The motion carried unanimously.

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11. May 2016 Financials Briefing Note
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The Briefing Note concerning the April 2016 Financials was rendered to the Board and is on file in the Executive Offices.

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12. Administration Building Briefing Note
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The Briefing Note concerning the Administration Building 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.

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 Operations.

The Director of 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 and Security.

The Director of Engineering, Maintenance, and Development and Security'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

- Suit against the Port of Lake Charles – Suit No. 2013-001091-14th JDC, State of LA.
- Suit against the Port of Lake Charles – Suit No. 2014-004268-14th JDC, State of LA.
- IFG Port Holding, LLC vs LCHTD – Case: 2:16-cv-00146 U S District Court, Western District of Louisiana, Lake Charles Division.

Ms. McManus stated the Board would not enter into Executive Session.

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

There being no further business to come before the Board, Ms. McManus asked for a motion to adjourn. Mr. Sanchez offered a motion to adjourn. Dr. Burckel seconded the motion and it carried unanimously. The meeting adjourned at 5:25 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.

BARBARA M.MCMANUS, President

ATTEST:

DUDLEY R. DIXON, Secretary/ Treasurer