



6000 Doug Attaway Blvd. | Shreveport, LA 71115 | P (318)524-2272 | F (318)524-2273 | port@portsb.com | www.portcb.com

Regular Board Meeting
Regional Commerce Center, Board Room
6000 Doug Attaway Blvd., Shreveport, LA 71115
July 21, 2016, 4:30 p.m.

President Commissioner Gregorio called the meeting to order at approximately 4:30 p.m. in the Steering Room of the Regional Commerce Center, 6000 Doug Attaway Blvd., Shreveport, LA.

Commissioner Griggs led the Pledge of Allegiance.

Commissioner Gregorio called on Ms. Levinson for roll call: Sam N. Gregorio, Rick C. Prescott, Roy Griggs, Lynn Austin, James D. Hall, Capt. Thomas F. Murphy, James L. Pannell and Steve Watkins. We have a quorum. Absent: Erica R. Bryant.

Commissioner Gregorio called for introduction of guests. Guests: Tyler Comeaux, Burk-Kleinpeter; Anne Gremillion and Ashley Ellingsen, Gremillion & Pou; Richard Pool; Kevin Byrum; Linda Porter; Melba Shaw; Zachary Johnson; Joe Johnson, George Carroll, Angie Broome, Karen Tieman and Shawna Wood. Staff: Brenda Levinson, Danye Malone, Rick Nance, Gloria Washington, Kathy French and Hettie Agee. Guests were thanked and welcomed.

Commissioner Gregorio said this is the time for public comments. Two cards were received, Joe Johnson and Richard Pool.

Mr. Johnson expressed his concerns which included a public records request, the content of the Port's Open Letter to the Citizens, the zoning of the Cupples tract and publishing the public comments verbatim.

Mr. Pool's comments were his thanks and support to the Port Commission for its intentions of purchasing Bossier Parish property and thanking the Board for bringing the neighborhoods in south Shreveport together as a result of this opposition to purchasing property.

Hearing no further public comments, he said we'll go to unfinished business.

UNFINISHED BUSINESS:

Approval of Special Board Meeting Minutes of June 16, 2016: Commissioner Griggs said the Special Board Meeting minutes of June 16 are in your packets. If there's been no deletions or additions, I ask for a motion for approval. The motion was made by Commissioner Austin and seconded by Commissioner Murphy. Commissioner Gregorio said we have a motion and second and called for any discussion. Hearing none, he said all in favor please say "Aye". Opposed? It passes unanimously.

"This institution is an equal opportunity provider and employer."

MEMBERS: *Sam N. Gregorio, President; Rick C. Prescott, Vice President; Roy Griggs, Secretary-Treasurer
Lynn Austin; Erica R. Bryant; James D. Hall; Capt. Thomas F. Murphy; James L. Pannell; Steve Watkins*

Approval of the Regular Board Meeting Minutes of June 16, 2016: Commissioner Griggs said the Regular Board Meeting minutes of June 16, 2016 are also in your packets. If there's been no deletions or additions, I ask for approval. The motion was made by Commissioner Murphy and seconded by Commissioner Watkins. Commissioner Gregorio said we have a motion and second and called for any discussion. Hearing none, he said all in favor please say "Aye". Opposed? It passes unanimously.

Approval of the June 2016 Financial Reports: Commissioner Griggs said the June 16th financials is also in your packages. If there's been no deletions or additions, I ask for approval at this time. The motion was made by Commissioner Austin and Commissioner Murphy seconded the motion. Commissioner Gregorio said we have a motion and second and called for any discussion. Hearing none, he said all in favor please say "Aye". Opposed? It passes unanimously.

Port Expansion Committee Report of June 23, 2016. The Port Expansion Committee meeting was called to order by Committee Chairman Steve Watkins at approximately 3:00 p.m. on June 23, 2016 in the Board Room at the Regional Commerce Center. Introduction of guests was called for.

Committee members in attendance included Steve Watkins, Lynn Austin and Capt. Thomas F. Murphy. A quorum was present. Guests: Tyler Comeaux, Burk-Kleinpeter; Nnamdi Thompson, Government Consultants; Joe and Zachary Johnson, Julie Searing, Scroggins Consulting; Anne Gremillion and Daniel Strickland, Gremillion & Pou; Vickie Wellborn, KTBS; Henry Raines, Gloria Raines and George Carroll. Staff: Eric England, Dannye Malone, Rick Nance, Kathy French and Hettie Agee.

Commissioner Watkins called for any public comments. Hearing none, he said we'll get started.

The first item on the agenda is a recap from the June 16th Expansion forum that we had last week. We appreciate everybody who came; I really appreciate everybody that spoke. I will assure you that the commissioners listened. We took very copious amounts of notes. We will carry these comments with us as we go forward with our expansion decisions over the next few years and we will do our best to—we'll make sure that we're doing the right thing in the best interest for all the citizens of Caddo and Bossier. Everybody's comments were taken to heart and I want everybody to know that. Eric do you have anything? Eric said you covered it.

Number two on the agenda is Candidate Sites Review. As everybody knows, when we started this process we took an overview of the entire two parishes of Caddo and Bossier. Through a very detailed process we came up with 18 sites that kind of fit the criteria that we were looking for. Obviously, it's way more land and sites than we have need for—couldn't even purchase if we wanted to. Now we will start to pull in and focus more on certain tracts of land or certain area of the scope of what we've done and we're gonna do this in phases. We're not going to be able to go out and buy all the land that we need at one time. These things will be done over the next few years in phases and I don't know if that will be 1,2,3 or 4 phases. But as we go forward, the first phase that we'd like to start with, and I would entertain a motion and I would read that motion is "authorize the staff to pursue candidate sites adjacent to the existing Port Complex, not including any parcels north of Leonard Road or west of the proposed B1 alternative corridor for the extension of 3132 nor south of Hwy 175. We will pursue these parcels from willing sellers, conduct due diligence, order studies, appraisals and other reports as necessary, and brief the Committee on key developments". The motion was made by Commissioner Murphy and seconded by Commissioner Austin. Calling for discussion and hearing none, he called for the vote. All those in favor, say "Aye". Opposed, "Nay". No opposition, the motion carries.

YEAS: Commissioners: Steve Watkins, Lynn Austin, Capt. Thomas F. Murphy

NAYS: None

ABSENT: James L. Pannell

ABSTAINING: None

Commissioner Watkins asked Eric to give an overview on Hwy. 1 Properties. Using Google Earth, Eric said commissioners, as you know we've been underway on the design for a water line for the Port complex for some time. We're out for bid on that project right now. We've discovered two parcels of property which also have homes and improvements on them; the landowners have interest in selling their properties. So in addition to pursuing the right-of-way, we've also have ordered an appraisal on these properties as well.

Taking into account the motion that was just passed by the committee, this Phase I tract we're discussing is adjacent to the majority of the Port complex. Our Phase 1 efforts will be focused in this area including these tracts as well. What we would like to also propose is that we not only pursue the investigation of these tracts but pursue the purchase of 10296 (Rowell) and 10340 (LaCaze) on Hwy. 1. What we would like to do is get approval from the committee today so that we can recommend to the Board that we purchase these tracts in the time frame of us building the redundant water line. I'll be glad to answer any questions the committee may have. The motion was made by Commissioner Austin and seconded by Commissioner Murphy. Commissioner Watkins said it's been moved and seconded. Calling for discussion and hearing none, he called for the vote. All those in favor, say "Aye". Opposed, "Nay". No opposition, the motion carries.

YEAS: Commissioners: Steve Watkins, Lynn Austin, Capt. Thomas F. Murphy

NAYS: None

ABSENT: James L. Pannell

ABSTAINING: None

Commissioner Austin asked if that is the only two homes in the area. Eric said yes. The nearest homes would be along Leonard Road and Harts Island area.

Commissioner Watkins said also today we have asked Nnamdi to be with us, and if he wouldn't mind maybe just give us a really brief overview of what we're looking at as far as our bonding capacity as we go forward. Nnamdi said right now we're looking at the millage that was passed, 2.5 mills, 2.5 mills generated in the last fiscal year of approximately \$6.5 million. We generally like to use the rule of thumb for every one million in revenue that you have, we can leverage anywhere from \$10 to \$15 million, also depending upon how long your maturity is gonna be and the interest rate. So we're looking off of a \$6.5 million that you generate in revenue somewhere in the ballpark between \$60 and \$75 million, strictly using the 2.5 mills that the Port currently leverages. That's kind of what we can use and that's kind of what we can use to purchase land. Commissioner Watkins asked if this would be on a 20 year or 25 year? Nnamdi said we could do it either way. Right now with the millage going out to 25 years, we can take the potential bond issue out to 25 years. If we wanted to pay it off sooner, we can look at 20 years and in each case we'd make a determination as we move forward. However, yes we can take it out to 25 years. The existing limited tax bonds, they're gonna be through in 2018. We kind of overlap some because we do have some gap in there. Some of the bonds initially, if we were to go out in 2017, might actually be 26 or 27 years if the Board decides to do such. Commissioner Watkins said do you need anything from us or any direction or are you comfortable. Nnamdi said not right now. We wouldn't decide to go forward unless the Board of Commissioners should say actually has a direct plan, has a price and we can then move forward at that point, but I wouldn't want to do anything now.

Eric said, in regard to finance, we have in our current budget projected around \$5 million dollars with existing funds for land purchases. So if we are fortunate enough to pursue some properties this fiscal year, we have up to \$5 million dollars to do so. We won't be in a position where we have to leverage or go through the bond issue process.

Commissioner Watkins called for any other comments, adjourned but then Commissioner Austin said one more thing before we adjourn. Have we explored the northern and southern part of the east side of the Port as far as purchasing property without going to the west side of Hwy 1? Eric said yes, please pull up Google Earth. Commissioner Austin pointed out a southern site on the right side and asked if it was a potential site and asked the owner's name and if it was one of the leading candidates for purchase. Eric said it would be candidate site Q. Eric said the leading candidates for purchase were B, C, E and F. Commissioner Watkins said Q was 12th out of the 18 sites. Commissioner Austin asked why was that? Eric said they were all based on a score that was generated...Commissioner Austin said appraised value...Eric said not necessarily appraised value but all the attributes of the site, distance to interstate, distance to utilities, fire station, interstate interchanges, railroads etc. All those things were scored and the answers of the rankings were weighted and they returned to us an overall score. Commissioner Austin said from a personal point of view I'm just gonna state my how I feel about that. On Heavy Industry we have operating 24 hours a day or 18 hours a day like Ternium and Pratt, I would like to keep the Heavy Industry on our side of Hwy. 1 and that's going to be my preference. I'm one person but that's my preference because I really understand how these people feel because I live in an area like they do on the other side of the River and I would like to keep Heavy Industry from deflating the property values. That's me. That's my opinion. And that's the way I'll vote.

Commissioner Watkins adjourned the meeting at approximately 3:18 p.m.

Commissioner Watkins said also in your packets is the June 23rd Port Expansion Committee report. Unless there's any corrections, additions or deletions, I make a motion that we approve. The motion was seconded by Commissioner Murphy. Commissioner Gregorio said we have a motion and a second and called for discussion. Hearing none, all in favor please say "Aye". Opposed? It passes unanimously.

M/WBE Committee Report of July 11, 2016: The meeting was called to order by Committee Chairman James L. Pannell at approximately 11:00 a.m., July 11, 2016, at the Regional Commerce Center Board Room. Commissioner Pannell called for Public Comments.

Committee members present: James L. Pannell, Roy Griggs, Rick C. Prescott and Steve Watkins. Other commissioners: Commissioner James D. Hall joined the meeting about 11:28 a.m. A quorum was present. Commissioner Erica R. Bryant was also present.

Guests in attendance: Tiya Scroggins and Julie Searing, Scroggins Consulting, LLC and Ilesha Jones, Direnzic Technology, LLC. Staff members: Eric England, Dannye Malone, Rick Nance, Kathy French and Hettie Agee.

Tiya Scroggins introduced Julie Searing and Ilesha Jones, their IT specialist, who would also be doing a demo later in the presentation. Tiya began by giving a power point presentation to the committee. Highlights included: the M/WBE Initiative, the Project Goal, and the Solution. The solution

was to create a data base which encompasses all company information of certified M/WBE's. The project is to focus initially on four particular parishes: Caddo, Bossier, De Soto and Webster. Tasks accomplished to date included researching resources, compiling existing data, examining the data they have and verifying the data to be accurate.

Tiya then called on Iesha Jones, IT specialist and CEO of Dizenic Technology, LLC. who explained the data base and its application with the Port's website and how it will link back to Scroggins website where it will be managed. A mock up was shown of how this would work by initiating a search of the various ways of working with a firm associated with Bid Sync.

Ty said they would like to ask for their input for the name on the M/WBE search tool. Commissioner Pannell said the Port of Caddo-Bossier M/WBE search tool.

She continued with her presentation and said they wanted to talk about the next steps going forth. It's a two-part approach, certification and the IT portion.

Commissioner Prescott said this is a two-part question. First, is there a bidding process before they can be a part of the data base or is it open ended as far as people contacting you to be a part of it and, second, what procedure do they need to go to? Should they contact you? Ty said yes, contact me or if they contact the Port, the Port will refer them to me. Commissioner Prescott said I guess I need to get some information from you.

Commissioner Pannell asked what are the four parishes that you say you will be drawing from? Ty answered Caddo, Bossier, De Soto and Webster. He asked if that would be the extent of the data base? Ty said initially. It will grow. Commissioner Pannell said and you are using DOT's data base? Ty said no, a couple of the firms came out of it. So firms come from many ways. There will be some that came out of DBE but not because they're DBE. They will be MBE because they meet our goals. They just happen to have DBE certifications with the State.

Commissioner Pannell said okay. And what is the time period that would be extended? Iesha said for the certification? Commissioner Pannell said for these businesses that are in your data base. Currently the Port of Caddo-Bossier has a funding company and a financial institution located in Baton Rouge. One of the main problems we have as far as supplying WBE and MBE businesses is some of them don't exist within the parishes. My vision originally was that we want to use local as much as we could. So I had envisioned a data base that if a business was looking—and it could be color coded as your data base is here by however designated—they would first look at the local businesses because they understand from a full standpoint we wanted to use local businesses first. But our second goal was to fulfill our minority requirement. When we look at the overall businesses that are doing work at the Port of Caddo-Bossier and Shreveport area, you're not going to find those businesses that are limited by a four parish area. And we would have a large flow back here on this Port and city, parish and school board if we say that all of our businesses that we're going to contract with has to come from the four parish area. That means that we're going to have some very high bids there because a lot of those bids are only going to be one company bids or no company bids. So if someone else was trying to limit me as to where I was going to go, I would have an issue with that so I definitely would not want to be the author of that limitation myself. That is one of the things that I wanted to address.

And when you use businesses, say from DOTD and look at their process and their procedures, that would not require us to even be concerned with a site visit because most of those are extensive applications. My concern about the site visits initially was limited to using data bases that don't require

site visits which is referred to commonly as self-certifying businesses. That was my concern. I had no concern with using existing data bases. I didn't want to limit any data bases but I wanted to take from the data bases useful information and then add to our process what it takes to make that business viable for the Port to use. For instance, the City of Shreveport's data base has a lot of businesses that based on other criteria other than WBE/MBE businesses. It is broad and it is different. I'm saying that I didn't want to take the City's data base wholly because of that reason, but I did not want to eliminate businesses that are in that data base that would meet our criteria. So that data base would be one that's screened and it would be up to Scroggins Consultants to verify that those businesses are properly vetted based on site visits or whatever criteria it would take to verify that. And if they were not, then and only then would they not eliminate their business but offer them that site visit to them and make them viable for our data base. Also I'm not sure where we are as far as that question is concerned because it just appears that we may be eliminating a lot of businesses. And I'm saying that right now I can go to Barksdale and check the MBE and WBE businesses that are currently doing work at Barksdale. And my offhand guess would be less than 25% of those businesses would come from Shreveport out of the 100% that come from Louisiana. Less than 25 comes from that four-parish area that you just named. So I'm not sure if we are not maybe reinventing the wheel at this point. What I don't want to do is to say anything that eliminates the work that you've done. To do what I'm speaking of requires very little addition to what you're doing. I would not sit here at this late date and try to add something that is large or arduous. So there are some data bases that are there that would fit right into our data base without any work on our part. Because when you go past that New Orleans area—I would assume that would be on the tail end of our data base because we would only want to go that far when we can't get qualified businesses here. But if you're going to New Orleans, you probably know as well as I do that I can get certified here twenty times in the period of time it takes me to get certified in New Orleans. But the good point about being certified in New Orleans, which we should be doing here and we're not, is that we certify in one agency and all the agencies accept that certification. If I wanted to do work in the airport and I do certification with the Water Board, I'm already certified with the airport. Or if I get certified with Dart, not Dart but—all those certifications are the same. We've attempted to do that here but we have not been able to. The reason why our process is important and extremely important is that we don't have a beacon here to say that is what we should be doing in this area as far as the data base. The reason why we pulled away from what was not costing us anything was because that did not exist. So I wanted to put something together but I don't want to put something together that looked like the same one that we we're pulling away from. So it is my hope, and I have no problem with working with you and the administration—not to despair your work that you have done—but to work with putting that data base together because we can be able to say just like we're saying about everything else. The Port works and there are a lot of things we have done here including the building that we're sitting in that we're truly proud of. And when we roll this out, I want this to be something that everybody can look at and say "oh yeah, that makes sense; it's simple and it makes sense", but I don't want to roll something out that they look at it and say "well, I'm not sure what is what on this". So I would be happy to work with you on this—not to say what you've done at this point is not useful and I think that the fact that we can have something that we can then go on our website and pull up and accomplish what we want to do is even better because you can't go on anybody's website here in the City of Shreveport, Caddo Parish or anybody and find a data base linked with their business here and we need a data base that shows what jobs we have in process and what jobs that we are aware of that are taking place here at the Port itself that are not our jobs. We're trying to develop a relationship with the businesses here which we think that relationship is already developed where when they are doing additions to their businesses here, in some situations that is directly tied to us because that is something on our part to be a part of us whether that's leasing of the land, loaning of the money or whatever else. So we're already tied to that. That is simple because if we want to loan them money, that's a requirement that we're gonna have. But if you want to build that yourself, then it may not be

something that will come directly through here but if we're aware of that, the people on this Port here's stated position is the same as our stated position which is we want to do minority participation. You're if you're stating that, whatever business, whether it is Benteler or whoever, then if that is your stated position, then this Port here with this building has already said that we are willing to help you in any way we can. If you need offices, we're going to provide you with offices. Also if you need assistance in finding a minority participant, we're going to do that too. That is the basis of what we are trying to develop even though at this point we may be in up on the front end of it. But my major concern is time. And we have been—no fault of Scroggins, no fault of anybody else—we have been working on this for a while and events have determined that we have changed courses. And those events that have determined a change of course come from fellow board members. We didn't want to do something that wasn't going to accomplish what we wanted and we didn't want to waste any money on doing that. And we did not want to ask staff here at the Port was why we decided to go this way. But we had a disagreement with the school board because when they put their program together the Board decided to do it and then they turned it over to somebody else. When it did not do what it was supposed to do, they wanted to point at the people who did not do that. I'm not going to point at anybody but if this does not work, it does not go to Scroggins; it does not go to anybody. It goes to me. So I want to be able to answer any question that anybody has because I had my handprints all over this. I have deliberately taken a hands off approach because I sit in a precarious situation and that is not—that's something I'm extremely aware of because you're going to have a hard time finding any minority participation in this city, including Scroggins, that I don't know and I don't know personally. So if you have asked me questions and I have not delivered it or solved your questions, it's just that I did not want to give you an answer. Those answers came from---you know this yourself. You need to talk to Eric; you need to talk to Dannye. There was a bid on a project (inaudible) that I was asked to turn in a bid for demolition that I could have completely won. When I got ready to put my numbers together, I read the paper again and it says Wieland. I called the man and I said is this a part of Wieland-Davco? He said yes. I said I don't think it's a conflict, but it could be a conflict. So I gave up work that I could very well do because I don't want a conflict here. But at this point here now if I have to get involved in this, I will get involved in it because we have too much riding on this at this point and it is my desire to roll this thing out in the near future. So whatever I can do to assist with that, I think ya'll have a plan that works. If I have any criticism of it, I just think it needs to be broadened. Thank you.

Commissioner Watkins asked, would it not be possible on the pull down where it has the four parishes to have a 5th column that just says parishes other than these four, or other Louisiana parishes outside these four? And that way we would have that 5th. We certainly would want to look at those four parishes first. But then if that's not possible then it would populate with the rest of the State. Ty said yes. It will continue to grow as we need it to grow. Commissioner Watkins said I like the idea of having the first four, because if I'm an out-of-state contractor doing a big job etc., they can look local first. But then if they have nobody that does that, then they can go to the State after that.

My other two questions--at some point y'all are going to have to detail the key components to be certified. What does it take for a company to be certified? What are going to be the key points that y'all look at? And I know y'all are doing that, but I would like the list to say "here's what they have to do to be certified"—Secretary of State, local address etc. whatever those are, but I think they need to be written down somewhere so we know that when somebody's on there that they have passed these tests.

And then I think at some point I think there needs to be an ability to fast track a company. If something's gone out for bid and they can reach out and find a minority company that really can help them and do the work, but they're not in this list, how would that company be able to fast track themselves to get on the list?

Commissioner Pannell said and I think that is—and we're back talking about reinventing the wheel now. I think that is easily done because the State of Louisiana License Board if someone—nobody's going to go get a license somewhere based on I might do some work. They don't do that. I'm State licensed but I still have to have a local license in the area that I'm working. So my State license for 2018 just came Friday. I have local license in about 20 something parishes. I just got licensed in Marksville, Opelousas and some place called Bastille. But you don't do that until you actually have the work there. And the people that I was doing the work for came from Missouri. Once they got that work, they went to the State Licensing Board and did what was necessary to get their license which took probably less than a week. The City of Shreveport now, when a company comes in and that company says, "okay, I already have my minority contractors. They came from Michigan with me that I want to use". That is a simply quick process to have that company go to the City of Shreveport and have that certification done within probably a week's period of time. But I agree, that although, and I don't want to prolong this, but I'm saying what we're doing is we're doing the same thing in other areas. One of the things that—we're in the middle of this land acquisition situation, and one of the things I asked Eric to do was because people are asking all these questions and we may be giving different answers. I think that may be ready for distribution or whatever. Everybody on this Board can answer that question because we're all looking at the same set of facts. So I think what Steve is asking, and I can read into your question, because in your business because people come to you all the time and say what do I have to do to do work at the Port and you want to be able to answer them. So I'm saying what they're asking for is answers to any question that someone would walk up to us to ask and that is here already because there's several websites you can look at. You go to Amazon etc. and then you still pull down a box saying "frequently asked questions" which means that you can get answers to questions without going through a whole lot because someone else has answered those questions and they've put those in place for those answers to be. So I think that is kind of what we're asking for, also which is not a momentous task also.

Ty said I want to say that we have already preliminary designed what we call working documents and it has frequently asked questions, introduction letters or the phone number to send them to if they have a question regarding the M/WBE initiative and our contact information.

Commissioner Griggs said I just want to chime in too. I think a commissioner brought in all that we need to increase our search beyond the four areas, but I think that's a great starting point.

And then secondly, as we find many of these contractors which will probably be large, even MBE, can we look at maybe partnering some of the smaller. I hope you take a look at that so maybe we can move some of those smaller to medium. So could that be part of the program? Ty said for this particular scope, no that's a different scope, but we do have the capacity to do that and we did propose it early on prior to the execution of this scope. Commissioner Griggs said if you can do that, I would love to see that happen because we have so many small contractors who's struggling trying to get a big job and if we could work it, I would love to see it happen.

Commissioner Pannell said a lot of this (inaudible) thing that we're doing, we're doing things that other people are doing. But I think that nothing precludes us from doing something that we see will work. As a minority contractor, I can designate that I am willing to partner with a larger minority on my designation which means that when someone is looking, they don't have to go out and these people locally are because it is clear that we don't want people coming into Shreveport and taking work from minority and non-minority contractors that does not increase our participation here. And when you look at minority contractors that is happening already. There are partnerships already. We could point to that with Brown Builders doing the steel for Benteler, Wieland-Davco came in here and said they hadn't been paid and a couple other people hadn't been paid from Benteler. Those are non-minority firms. So those things are

happening now. It just needs to be a designation that I am willing to partner with a non-minority not a local firm.

Ty called for any other questions and said that concludes our portion of the meeting. Commissioner Pannell called on Eric.

Eric said our financials are provided to you monthly. What we're proposing is to adjust your monthly financials to look like these sheets. Just to go through those columns, you can see we've added the Year to Date MBE participation column. Under the Annual Budget, we've added the asterisks. Those asterisks correspond to footnotes at the bottom which you can see. At the bottom you'll see on the footnotes the percentage of actual MBE participation. That's year to date. So as the year progresses as we get closer to December, that percentage will increase.

Commissioner Pannell said I think that one component that would be helpful is if on businesses that sub, like Gremillion & Pou, Burk-Kleinpeter, if they sub with minorities, if they would add those numbers because that would be hidden numbers that would not show toward our accurate total and if it's something that's applicable to a minority, I think they should include those totals. Eric said absolutely.

Gloria said and we're doing it on the capital side right now and we'll do it on the administrative. Commissioner Pannell asked if he needed a motion on that.

Eric said perhaps a motion to recommend to the Board and we'll have the Board ratify it at the next meeting since these are forms of the Commission. A motion was made by Commissioner Prescott and seconded by Commissioner Watkins. Commissioner Pannell said I've got a motion and a second. All in favor by saying "Aye". All opposed the same sign. The motion passed unanimously. Calling for discussion and hearing none, he said all those in favor say "Aye". Opposed. No opposed. The motion passed.

YEAS: Commissioners: James L. Pannell, Roy Griggs, James D. Hall, Rick C. Prescott and Steve Watkins

NAYS: None

ABSENT: None

ABSTAINING: None

Calling for any other business, Commissioner Pannell adjourned the meeting at 12:09 p.m.

Commissioner Pannell said in your package you have the minutes of the July 11th M/WBE Committee meeting. If there are no corrections or deletions or additions, I offer a motion for their approval. The motion was seconded by Commissioner Prescott. Commissioner Gregorio said we have a motion and a second and called for discussion. Hearing none, all in favor please say "Aye". Opposed? It passes unanimously.

Marketing Committee Meeting of July 11, 2016: Commissioner Prescott called the Marketing Committee meeting of July 11, 2016 to order at approximately 12:10 p.m. in the Board Room at the Regional Commerce Center. Commissioner Griggs led the Pledge of Allegiance.

Commissioners present: Lynn Austin, Erica R. Bryant, Roy Griggs, James D. Hall, Capt. Thomas F. Murphy, James L. Pannell and Steve Watkins. A quorum was present.

Commissioner Prescott called for introduction of guests: Daniel Strickland, Gremillion & Pou, Charlie Kinger, Wieland-Davco; Tyler Comeaux: Burk-Kleinpeter, John.Hubbard, SWEPCO and Ty Scoggins, Scroggins Consulting. Staff members: Eric England, Rick Nance, Brenda Levinson, Dannye Malone, Gloria Washington, Hugh McConnell, Kathy French, Ted Knight and Hettie Agee.

Commissioner Prescott called for Public Comments. Hearing no comments, he called on Brenda for a Customer Update. Her report included: ADS Logistics, Pratt Industries, Ronpak, West LA Aggregate, Calumet, Ternium and Benteler.

Commissioner Prescott called on Kathy for the Public Affairs Report. The next Morning Perk with the Port is July 27th at 9:a.m.

Commissioner Prescott called on Eric who said the calendar is your packages and said that Commissioner Hall is Chairman of the Intergovernmental Committee and we're calling a meeting July 21st at 3:30 p.m. just prior to the July 21st Board meeting. Markey Pierre will be here to give us an update.

As you all know, our Notice of Public Hearing for our existing millage was published incorrectly. It was to have been published in a box 2" x 4". It will require us to have on the August 18th Agenda the Ordinances. With the notices having run, just wanted to make sure you knew about it in case you receive questions. It has everything to do with our existing millage.

Commissioner Prescott adjourned the meeting at approximately 12:25 p.m.

Commissioner Prescott said the minutes of the Marketing Committee report of July 11, 2016 is in your package. If there is no corrections, deletions or additions, I move that the minutes be adopted for approval. Calling for discussion and hearing none, Commissioner Gregorio said all in favor, say "Aye". Opposed? The motion passed unanimously.

Operations Committee Report of July 11, 2016: The meeting was called to order by Commissioner Roy Griggs at approximately 12:26 p.m., July 11, 2016, at the Regional Commerce Center Board Room. I don't think we've had any additional guests to come in.

Commissioners present: Lynn Austin, Erica R. Bryant, Roy Griggs, James D. Hall, Capt. Thomas F. Murphy, James L. Pannell, Rick C. Prescott and Steve Watkins. A quorum was present.

Staff members: Eric England, Rick Nance, Brenda Levinson, Dannye Malone, Gloria Washington, Kathy French, Ted Knight, Hugh McConnell and Hettie Agee.

Are there any public comments at this time?

Commissioner Griggs called on Hugh for the Operations report.

Commissioner Griggs called on Rick for Port projects. 1) Redundant Water Line is out for bid on Wednesday the 13th; two addenda were sent out. 2) Railroad cross bucks are up; 3) Directional signs

were sent to selected contractors. 4) The document storage room. Kan Contracting is low bidder for \$23,000 and 5) Stevedore Building.

Commissioner Pannell said I have one comment. You mentioned about the land acquisition. We have been going through this long process about trying to obtain land because we know it's a major issue we have. And we've gone through the process of this thing and really I would say one of the hardest things that we have done since I've been with the Port. This whole process has not been easy. We come to meetings, but Jimmy knows—he was in charge of putting this building together. We know how much goes on in between those meetings. I would just like to say that Steve has been in charge of this process and I don't know if I could have done what he has done. I've sat down with him on a couple of occasions and he explained things to me that I did not know, one of things to get information for people. One of the things that I got from him is this question of why don't you move further down the River? He explained to me the issue is redundancy. We've got redundant water lines; we've got redundant power lines. It does not exist down the River. So we have to do something. All those things were obstacles that we're dealing with. I just want to compliment Steve and Eric on coming through some--and this man has brought us to a point with a plan that I think—we couldn't come up with a better plan given the opposition we had etc. It's something when a person takes that much time away from his business to do something for the Port. We just let those things go by sometimes without—and I know nobody in the public's gonna say thank you, but we as a Board—and I know I'm speaking for several on this Board and I know that he has done a fantastic job to get us where we are at this point.

Eric said the reports are in your packages; I'll be glad to answer any questions.

If not, our next item is the Public Comment Policy. Again, a draft of it is in your packages today. It was previously handed out at a Board meeting and we wanted to go through a process of providing to the Commission and allowing some time for it to lay over to review and also have a forum where you could discuss it and consider what you would like to do. With that said, Commissioner Griggs, I'll hand it over to you for any comment. Commissioner Griggs asked if there were any comments on it. Would you like to entertain a motion at this time or delay it until our next meeting? Commissioner Pannell said I think it puts us a little more in line with some of the policies that exist with the City of Shreveport that we're discussing and those people are to sign in and make their comments. (Inaudible). Hearing no further discussion, the motion was made by Commissioner Pannell and seconded by Commissioner Prescott. Commissioner Griggs said it has been moved and properly seconded that we will adopt the draft Resolution No. 11 and that it will become effective immediately after the vote. Calling for discussion and hearing none, he said all those in favor say "Aye". Opposed. No one opposed. The motion passed.

YEAS: Commissioners: Rick C. Prescott, Roy Griggs, Lynn Austin, Erica R. Bryant, James D. Hall, Capt. Thomas F. Murphy, James L. Pannell and Steve Watkins

NAYS: None

ABSENT: Sam N. Gregorio

ABSTAINING: None

Eric said at the adjournment of this meeting, we will move into the Finance Audit Committee meeting.

Hearing no further comments, Commissioner Griggs adjourned the meeting at approximately 12:50 p.m.

Commissioner Griggs said the Operations Committee report of July 11, 2016 is also in your packets. If there's been no corrections, deletions or additions, I move for approval. Hearing no discussion, Commissioner Gregorio said all in favor, please say "Aye". All opposed, "Nay". The motion passed unanimously.

Finance Audit Committee Report of July 11, 2016: The Finance Audit Committee meeting was called to order by Committee Chairman Roy Griggs at approximately 12:51 p.m. in the Board Room at the Regional Commerce Center.

Committee members present: Roy Griggs, Lynn Austin, Erica R. Bryant, James D. Hall, James L. Pannell and Steve Watkins. He called for introduction of guests: Tim Nielsen and Jerrod Tinsley, Heard, McElroy & Vestal, Tyler Comeaux, BKI; John Hubbard, AEP/SWEPCO and Joe Johnson. Staff: Eric England, Gloria Washington, Dannye Malone, Brenda Levinson, Hugh McConnell, Ted Knight, Rick Nance, and Hettie Agee.

Commissioner Griggs called for public comments. He said while they're coming, I think we have a very clean audit report and I just want to say hats off to Eric and Gloria for the work they do on the financials. Hearing none, he moved to the Audit Presentation. Jerrod came to the podium to do the presentation.

Jerrod said thank you for the opportunity. We always enjoy coming out for the audit and spending some good quality time with Gloria and all the staff here and I am sure she feels the same way. As always, it went very smooth this year. It went well. Gloria does a very good job.

Commissioner Griggs asked him to introduce himself and he did as well as Tim Nielsen.

As always, we made certain journal entries that we do every year typically on the bonds, investments, capital assets, capital leases and starting this year GAB68.

The report was submitted timely to the Louisiana Legislative Auditor prior to the 6-30-16 deadline. I believe each of you was provided a copy for your review. So if you have any questions as I'm going along, please feel free to stop me and ask whatever you would like.

Hearing none, Jerrod said turn to pg. 28. That gives a quick summary of the Schedule of Findings and the opinion of the audit. As you will see, the auditor expressed an unmodified opinion on the basic financial statements. That's a clean opinion basically saying the financial statements were fairly presented in all material respects in conformity with generally accepted accounting principles. That's the good opinion. No material weaknesses or significant deficiencies were noted. That's for the current year; also there weren't any in the prior year. No instances of non-compliance for this year or the prior year. The Port was not subject to a Federal single audit for the year end 12-31-15.

If you will turn to pg. 3, we'll look at the Statements of Net Position. As you'll see, the blue is representing your total assets; the red color is total liabilities. The green is your net assets. That's just kind of giving you the last five years. As you can see your total assets have been hovering around \$200 million. Total assets did decrease by \$1.2 million from the prior year. It's a combination of a few things. Cash was up a little over a million. However fixed assets decreased by \$2.6 million which was a combination of \$3.3 million in capital expenditures for the year. However, there \$5.9 million of

depreciation to offset that increase. Most of the increases for the capital expenditures, Benteler Steel project, rail extension going on, new parking lot, although there were various other smaller projects that went on as well. Capital assets increased quite a bit from 2011 to 14 and then a slight decrease for this year. The fixed assets make up the majority of the total assets in general.

Drop on down to the Liabilities section. Total liabilities decreased \$2.1 million. This is mostly concerning Long-Term debt which decreased \$1.9 million. You made \$5 million dollars in debt payments, but you also issued a \$3.1 million dollar revenue bond during the year. You can see from the slide in the last five years, you're chipping away at those bonds. Tim and I were discussing today it's three fiscal years you've got about \$5 million dollars in debt payments to make. After that, it drops down to about a million a year. Wanted to mention net assets. They increased by \$870,000 to \$154 million. If you look over the last five years, net assets are a good indication of your overall financial position. You're having a slight increase each year, so that's a good sign. Any questions on the balance sheet?

Slide over to pg. 4 and look at the Statement of Revenues and Expenses. The total operating revenues decreased \$1.4 million or 9% down to \$13.9 million. That had to do with oil and gas leases and royalty decreasing from marketing conditions. They went down about \$875,000. Port operations has decreased about \$973,000 but that can be explained by the flooding issues that occurred during the year. These decreases were partially offset by an increase in ad valorem taxes and also slight increase in water and sewer revenues. But overall, you had a decrease of \$1.4. I wanted to show this on the Port operations revenue. This year was an anomaly. You can see it's pretty consistent, right around \$2.6 million, \$2.5 million every year. You can see that the flood had quite an impact on that for 2015. Taking a look at the operating expenses, they increased by \$637,000 or 12% at \$5.9 million for 2015. Again, this is related to the flood. Flood related costs specifically were \$414,000 for the year. You had an increase in G&A of \$175,000. This slide here shows you the breakdown of operating expenses. This is made up mainly of G&A. Any questions on the Statement of Revenue and Expenses?

The only other thing I wanted to mention and I touched on it earlier, but the implementation of GASB 68 for 2015. Because the Port is a part of the PERS retirement system of Louisiana, they were required to include certain footnote disclosures and certain new line items on the balance sheet. If you look at footnote 9, there's a whole lot more information in there than you saw at previous audits. That's strictly related to the GASB 68 and on the Balance Sheet, you'll see a Net Pension Liability of \$66,000. That's fairly minimal but because of your inclusion in the PERS report, we had to include it in your report. And those numbers—an actuary comes up with those numbers. PERS puts it in their report. We use the PERS report for your numbers in your report. So it's all relayed and pulled from that. That is all I have. Any questions? Commissioner Griggs thanked him and called on Eric.

Eric said at this time, the committee is comprised of Commissioner Griggs, who is Chair, Commissioners Austin, Bryant, Hall, Pannell, and Watkins. We would request a motion for a recommendation of the Finance/Audit Committee to the whole Board for adoption at the July 21, 2016 Board meeting. The motion was made by Commissioner Hall and seconded by Commissioner Bryant. Commissioner Griggs said it has been moved and seconded. Calling for discussion and hearing none, he said all those in favor say "Aye". Opposed. The recommendation passed.

YEAS: Commissioners: Rick C. Prescott, Roy Griggs, Lynn Austin, Erica R. Bryant, James D. Hall, James L. Pannell and Steve Watkins.

NAYS: None

ABSENT: Sam N. Gregorio

ABSTAINING: None

Commissioner Watkins said Tim, we got another clean letter management letter. We've had a clean management letter for how ten or twelve years. Is that correct? Gloria said 23. Commissioner Watkins said that's very impressive. Commissioner Bryant said to put that in perspective, I got my first one in 20 years, so that is not common not to get a management letter. I've been Finance Director for a long time and we've never gotten them, so that is something to be proud of. So kudos to Eric and Gloria and the team here for the wonderful job. Thank you so much.

Commissioner Griggs said that concludes our agenda at approximately 1:09 p.m.

Commissioner Griggs said the Finance Audit Committee report of July 11, 2016 is also in your package. If there's been no corrections, deletions or additions, I move for approval. The motion was seconded by Commissioner Murphy. Calling for discussion and hearing none, he said all those in favor please say "Aye". Opposed. The recommendation passed.

NEW BUSINESS:

2015 Audit: Ms. Levinson said the 2015 Audit was prepared by Heard, McElroy & Vestal, presented at the Finance Audit Committee meeting on July 11, 2016 and is now recommended for adoption. The motion for approval was made by Commissioner Watkins and seconded by Commissioner Prescott. Commissioner Gregorio said we have a motion and second. I understand that was a very good audit, no problems and we passed that with flying colors. Calling for discussion Commissioner Prescott said kudos to Gloria and her team! Hearing no further discussion, Commissioner Gregorio said all in favor please say "Aye". Opposed. It passes unanimously.

YEAS: Commissioners: Sam N. Gregorio, Rick C. Prescott, Roy Griggs, Lynn Austin, James D. Hall, Capt. Thomas F. Murphy, James L. Pannell and Steve Watkins.

NAYS: None

ABSENT: Erica R. Bryant

ABSTAINING: None

Port Expansion Phase I: Ms. Levinson said based on discussions at the last two Port Expansion Committee meetings, we ask for the Board consider adopting the following in the form of a motion: "authorize the staff to pursue candidate site H and sites adjacent to the existing Port Complex, not including any parcels north of Leonard Road or west of the proposed B2 alternative corridor for the extension of 3132 nor south of Hwy 175. We will pursue these parcels from willing sellers, conduct due diligence, order studies, appraisals and other reports as necessary, and brief the Committee on key developments". A motion for adoption was made by Commissioner Hall and seconded by Commissioner Murphy. Commissioner Gregorio said we have a motion and a second. Calling for discussion, Commissioner Pannell said does that include what was discussed, Site H? Ms. Levinson says it does.

Commissioner Gregorio called for further discussion and said all in favor please say "Aye". Opposed. He said I abstain. It passes unanimously with that one abstention.

YEAS: Commissioners: Rick C. Prescott, Roy Griggs, Lynn Austin, James D. Hall, Capt. Thomas F. Murphy, James L. Pannell and Steve Watkins.

NAYS: None

ABSENT: Erica R. Bryant

ABSTAINING: Sam N. Gregorio

Approval of Budget Templates: Ms. Levinson said at the July 11th M/WBE Committee meeting we presented and discussed the revised Port Budget templates which incorporated M/WBE participation. The committee recommended the Board approve these templates. If there are no questions or need for discussion, we recommend approval for these revised Port Budget templates. The motion was made by Commissioner Prescott and seconded by Commissioner Griggs. Commissioner Gregorio said we have a motion and second. Calling for discussion and hearing none, Commissioner Gregorio said all in favor please say “Aye”. Opposed. It passes unanimously.

YEAS: Commissioners: Sam N. Gregorio, Rick C. Prescott, Roy Griggs, Lynn Austin, James D. Hall, Capt. Thomas F. Murphy, James L. Pannell and Steve Watkins.

NAYS: None

ABSENT: Erica R. Bryant

ABSTAINING: None

Authorization to Sign Contract, Kan Contractors – RCC Archive Room: Ms. Levinson said the project was sent to minority contractors for proposals. Four minority contractors were provided an opportunity to submit proposals and the results were presented at the July 11th Operations meeting. It's our recommendation to award the contract to Kan Contractors. We ask the Commission to authorize Eric England or myself, Brenda Levinson, to execute the contract with Kan Contractors. The motion was made by Commissioner Pannell and seconded by Commissioner Hall. Commissioner Gregorio said we've got a motion and a second. Any discussion? Believe they came in under budget and they were the lowest ones. Calling for further discussion and hearing none, Commissioner Gregorio said all in favor please say “Aye”. Opposed. It passes unanimously.

YEAS: Commissioners: Sam N. Gregorio, Rick C. Prescott, Roy Griggs, Lynn Austin, James D. Hall, Capt. Thomas F. Murphy, James L. Pannell and Steve Watkins.

NAYS: None

ABSENT: Erica R. Bryant

ABSTAINING: None

Rs. No. 12 of 2016 – A Resolution Authorizing the Executive Port Director or in His Absence The Deputy Port Director, to Execute Any and All Contracts, Documents or Other Legal Instruments Associated with the Redundant Waterline Project, and to Otherwise Provide with Respect Thereto:

Ms. Levinson said this Resolution will authorize the Executive Port Director or in his absence the Deputy Port Director, to execute any and all contracts, documents or other legal instruments associated with the redundant waterline project. We would ask for a motion to adopt this resolution. The motion was made by Commissioner Hall and seconded by Commissioner Austin. Commissioner Gregorio said we have a motion and second. Calling for discussion and hearing none, Commissioner Gregorio said all in favor please say “Aye”. Opposed. It passes unanimously.

YEAS: Commissioners: Sam N. Gregorio, Rick C. Prescott, Roy Griggs, Lynn Austin, James D. Hall, Capt. Thomas F. Murphy, James L. Pannell and Steve Watkins.

NAYS: None

ABSENT: Erica R. Bryant

ABSTAINING: None

Port Director's Report: Ms. Levinson said no report.

Commissioner Gregorio said that concludes our agenda and he adjourned the meeting at approximately 4:41 p.m.

Respectfully submitted,

Commissioner Roy Griggs
Secretary-Treasurer

August 2016 Meeting Notices!!

Next Regularly Scheduled Meeting: Thursday, August 18, 2016, 4:30 p.m.

Personnel Committee Meeting, Thursday, August 18, 2016, 3:45 p.m.

Marketing and Operations Committee Meetings, Monday, August 8, 2016, 12 Noon
Regional Commerce Center, 6000 Doug Attaway Blvd, Board Room, Shreveport, LA