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Caddo-Bossier Parishes Port Commission
Regular Board Meeting
Regional Commerce Center, Board Room
6000 Doug Attaway Blvd., Shreveport, LA 71115
September 28, 2017, 4:30 p.m.

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

Commissioner Griggs led the Pledge of Allegiance.

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

Commissioner Gregorio called for introduction of guests. Guests: George Carroll, Joe Johnson; Ed Walsh and Sarah McKinney, Gremillion & Pou; Ty Scoggins, Scroggins Consulting, Inc. and Tyler Comeaux, BKI. Staff: Eric England, Brenda Levinson, Danyne Malone, Rick Nance, Gloria Washington, Kathy French and Hettie Agee.

Commissioner Gregorio asked if there are any public comments regarding an agenda item? Hearing none, he said we'll go to Unfinished Business.

UNFINISHED BUSINESS:

Approval of Regular Board Meeting Minutes of August 17, 2017: Commissioner Griggs said the Regular Board Meeting minutes of August 17, 2017 is in your package. If there's been no changes, I move for approval. The motion was seconded by Commissioner Murphy. Commissioner Gregorio said we have a motion and second and called for discussion. Hearing none, he said all in favor please say "Aye". Opposed? That passes.

YEAS: Commissioners: Sam N. Gregorio, Roy Griggs, Erica R. Bryant, Capt. Thomas F. Murphy, James L. Pannell and Steve Watkins

NAYS: None

ABSENT: Lynn Austin, Rick C. Prescott and James D. Hall

ABSTAINING: None

Approval of July 2017 Financial Reports: Commissioner Griggs said the July 2017 Financials are also in your package. If there's been no changes, I move for approval. Commissioner Murphy seconded the motion. Commissioner Gregorio said we have a motion and second. Calling for any discussion and hearing none, he said all in favor please say "Aye". Opposed? That passes.

"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

YEAS: Commissioners: Sam N. Gregorio, Roy Griggs, Erica R. Bryant, Capt. Thomas F. Murphy, James L. Pannell and Steve Watkins.

NAYS: None

ABSENT: Lynn Austin, James D. Hall and Rick C. Prescott

ABSTAINING: None

Marketing Committee Report of September 11, 2017. Commissioner Rick C. Prescott, Chairman, called the Marketing Committee meeting of September 11, 2017 to order at approximately 12:00 p.m. in the Board Room at the Regional Commerce Center asked for a moment of silence in remembrance of 9-11.

Commissioner Griggs led the Pledge of Allegiance.

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

Commissioner Prescott called for introduction of guests: Mike McSwain, Mike McSwain Architect; Paul Lambert, Lambert Advisory; Kevin Bryan, Kevin Bryan Architect; Charley Kingery, Wieland; Sarah McKinney-Williams and Robert Pou, Gremillion & Pou; Tanita G. Baker and Shirley Wilson, EJES, Inc.; Joe Johnson and George Carroll. Staff members: Eric England, Dannye Malone, Brenda Levinson, Gloria Washington, Hugh McConnell, Rick Nance, Kathy French and Hettie Agee.

Commissioner Prescott called for Public Comments on Agenda Items. Hearing none, he called on Brenda for Potential Customers/Projects who said she would be giving an update on Project Fast, a petrochemical project we've been working on for several months. We've been notified that we are down to one of only two sites left under consideration and wanted to bring you up to date about the process and what they do. They will use a quantity of water that the City is not prepared to deal with at this time. We discussed this with them early on and they've already met with DEQ with the intent to get permits so they can draw water from the River and discharge back to the River.

We are hoping that maybe before we get to the point that they do that that there's some opportunities to talk about the potential for the gray water because not only would they be interested in that but we know that if we could clean up the gray water to a quality that Pratt could use, since they produce food grade product for the pharmaceutical and the cosmetic industry, that would be more than clean enough for them to use and also Project McCarty was interested in the gray water. Pratt uses a m/day; McCarty would use 750,000 to a million gallons a day. At least it opens the door for some conversation about the gray water piece with this. It gives us an opportunity to get outside of the box with the thinking about just the water alone.

So I wanted to open that for questions that you may have. They've been working with USDA as well as the Department of Energy. They do have a \$200 million dollar loan guarantee from USDA and we have discussed bonding, being able to be a conduit for revenue type bonds with them as well. So they're a heavy gas user; they're a seriously heavy electric user as well. They will consume a lot of utilities. The project will be between \$400-\$475 million; it does not have a lot of jobs but those jobs pay between \$75-\$80 to \$85,000 dollars. They're high tech jobs. I will leave that for questions that you

would have at this time or something that you would like for us to check on moving forward because their intent is to probably have a decision made in the next couple of weeks.

Commissioner Pannell asked if you know if they have one of these already in operation? Brenda said they have a plant, their first one that they built, but they built that plant and the source is methane gas, so this is going to be their first facility where they're going to use wood. Commissioner Pannell said so there's nothing that we can look at like that? Brenda said we asked. We thought if there was a place we could go—we know that in Guice, Louisiana they have an operation similar to this. They use animal fat, but you can't get a comparison off the deal, and our biggest concern is the fact that the raw material source is wood and that's we wanted to make sure of is that it's not a burning process which that burning process is creating a liqueur is what gives you the typical paper mill smell and they will be taking the chips and using high heat to dry them out. They'll predominantly use pine. That's about 90% water and they've got to dry it out to about 10%. Once they've put it in the system to start drying it, everything is contained within the system and it immediately liquefies it to a gas and is a gas process throughout. The water that will come off the system will be clean enough to discharge back to the River—actually could go back to the City. The residue that will come out of the process is an ash and that ash will be clean enough that it could be used in agricultural applications for fertilizer or go into landscape.

Commissioner Pannell said I would still be curious as to whether there is this process being used. It is my understanding you are saying they don't have this process in operation but my question that wouldn't necessarily be to you, but to find out if there is a plant like this in operation by someone else that someone could visibly look at because if we can get this, we'll be happy to have it. But if there are any existing problems we would need to know that, not after they built it so we could incorporate that into the process. Brenda said the system they use is called the Fisher Trough system. Shell uses that. As a matter of fact, the engineer that will be overseeing the process itself worked with Sasol in South Africa. So processes that are in existence out there at this time are not totally this process. They may be a process that's been worked in combination with something else.

Eric said one of our concerns, that has been with the Board in the past, has been that of the environment, the neighboring tenants and neighbors in general. So that's been our approach to this whole project and when Brenda briefed me on this, I asked her the similar question about are their existing facilities. What I want to do is retain the services of a consultant who can give us a qualified opinion on this to tell us if our concerns will or will not be addressed. It's one thing for them to tell us it's not gonna smell; it's not gonna put off an odor, but I want it to be a qualified opinion and that's if we cannot find, as you're suggesting Commissioner Pannell, anywhere in the world one of these existing operations. And we've made those concerns known to them so we're gonna make sure that whatever their timeline is that we do these types of investigations so that we don't hinder our position with advancing with the prospect of them coming here.

Commissioner Pannell said most of their raw products like the wood, it would come from this area? Brenda said the finished product—they'll produce about 20 million gallons of this clean renewable diesel annually. Commissioner Pannell said what is the possibility of this being used as backhaul that we have talked about filling up some of the vessels going back with a use of the River? Brenda said it will go back by rail going all the way to the West Coast. The most economical way to

transport that will be by rail. Commissioner Pannell said by rail? Brenda said they are trying to set up a meeting as well as Genesis to talk to them about using the bulk storage tanks down at the tank farm to store finished product in as well as incoming raw materials and also to utilize them possibly to load the rail cars back out instead of building a rail spur on to the site that's just dedicated to the site.

Commissioner Pannell said I think the issue with reusable water was one of the ones I had discussed. I was hoping that we could do something prior to something happening like this to someone that's coming in and they need it. My point specifically then was that I have a problem with depending on the City to supply us with water, and they said we can't do it and then we're sitting here. I just reiterate that is a reason why that is important for us to find an alternate water supply. We have a holding tank sitting there which is the same thing. We've got a lot of assets here and it seems like to me it would be something easy for something that has an advantageous use that costs an arm and a leg to get there, but it looks like that we could be at least close because I would hate to depend on the City and potable water for something that we would need here. We don't know when those businesses may just pop up. I think that—they are saying that they have an alternative way of doing, so what if they did not have an alternative way and they was sitting here waiting on us to do that? We couldn't do that and that's where we are. Brenda said one of the things that we did do on the call Friday is ask if there was any kind of data that goes basically with their system, and the engineer's going to check on that and that's what Eric was referring to is that we asked if we could take that-- basically it's almost what we would go through a spectrometer so that you just see at each point level what it is, what the product is and be able to tell us "hey you're right at this deal; it's not an issue". They wouldn't have a flare unless they have a hiccup, but even then what goes out is not an obnoxious odor or problem. It's just a process of the heat system through drying of the wood. So at this point we just wanted to bring you up to date, let you know that the one thing that we're still trying to do is chase down the other piece of this. They are going to have the gentleman that handles the procurement of the wood will be in here next week and is going to meet with some of the timber companies around here and the lumber mills etc., going ahead and checking on the wood source of material. So we'll continue to do our due diligence and what we want to do and the reason we had asked for as many phone calls and conference calls as we've had with them is that if we're to report where this is something that will not work for us, we wanted to give them plenty of time to know that before they pull a plug with the intent to come here to make sure that they keep the other site in line until we're comfortable and have the information that we think we may need for you to be comfortable with this as well.

Commissioner Watkins asked how much gray water is currently available to us if we started pulling. Rick said Steve, you may remember we built it to produce 10 million. There's three pumps, two of which would be in use at each moment with a maximum capacity of 10 million. However, we did a test run with Pratt early on and the intent was to give them as the only one who was willing to it. We had to scale down the impellers, the propellers if you will. They would have to replace the impellers to do more than what Pratt was originally doing and that was only about $\frac{3}{4}$ of a million or 500,000 gallons the way it was geared up. Commissioner Watkins said so it would certainly seem economically feasible for us to make sure the gray water is something they could use or whatever process we have to put between us and the City to get it to a quality they could use. We would actually sell them the water once at that point, the revenues would come back to us. Eric said eventually. The billing would be through the City of Shreveport, but I think I understand where you're going but there's a CEA for our water and sewer. I think that's what you're saying. There is a separate CEA for the gray

water. Commissioner Pannell said Rick, would the gray water amount be limited to the amount that is discharged at Lucas or you're saying how much the City can. Rick said we have the capacity of 10 m/g/day. Commissioner Pannell said and the backup pump would get the water from the River. Rick said no, there's three pumps. The backup one is in case one of the two primary fail. It's a 5 million gallon pump for each basically so they would alternate through kind of like our generators. Commissioner Pannell said but my question is the access of the gray water. We would have to be getting the gray water—it doesn't matter how much it will carry through, it depends on how much you can get and I'm saying the amount of gray water would be limited to the amount that it discharged from somewhere, whether it's Lucas or where. So the question would be not how much does it handle, how much would we have access to? Rick said there's 40 m/g/d being put out by the City right now and it pulls off of the stream after they've finished their processing for cleaning it up to meet the discharge requirements for the River. We take it downstream from that. In worse case, the capacity is 10 million out of about a 30-40 million stream. Commissioner Pannell said I understand. Eric said the limitation is more a function of pipe size, the actual volume you are getting through the pipe. Brenda called for any more questions.

She said on Project McCarty, this is the steel scrap project. We are on the short list for this project as well. Their board meets this week and LED is already scheduled for a conference call next week to see what their path forward is where we stand in the project. They will be bringing in between 300-350,000 tons of scrap a year. 50% of that will be coming in by barge. The Scopini Island site is the site they are interested in for that project, so we will know more about the status of this project and our standing on the short list next week.

With Vulcraft and Nucor, as of the end of August we had received 18 barges of coils from Vulcraft. This past week we've worked with our first three barges of steel slab. Our option, and we had talked about it before, is to look at a large fork truck that we would be able just once the crane lays it down you use the picks to pick it up and we could move the slab onto an area on the dock and handle the weight and use the big fork truck to reload. That keeps it a short distance of faster unload and at this point we're working with ADS to do a share in this of transporting it to the 60,000 sq. ft. warehouse and they will be doing the reload using that 30 ton crane in there. So we'll work those numbers, take a look at going forward, the best way to work it and the safest way to work it, those slabs. They have come back to us. They make slabs that are longer which gives them access to another source of raw material to come in here. The slab would have to be cut before it could be loaded on a truck. That's something that ADS does at other locations they have. So we'll move forward and visit with Nucor about this how we can do it. Since they've discovered the Port, they have lots of opportunities. We've got to be sure we're handling it wisely and that we can do it safely. These moves went well. It was a good learning experience.

Benteler continues to move well. August was one of the busiest months they've had this year. They set a record. They continue to gear up for some key positions. They told us that the rig count at the end of August was at 940, 451 more than this time last year. Have also been talking with them about having a place to lay down the pipe they are making. We may use our hardstand to do this and work past the Houston storm.

She continued with the customer update, ADS, Ronpak, Pratt and Ternium and called for questions.

Commissioner Prescott called on Kathy to give the Public Affairs report.

Eric reminded the Commission that our Board meeting would be on the 28th of this month. Also we're working with NLEP on their event bringing in site selectors from the Site Selector's Guild and will have a private dinner on Thursday, October 5th. We'll contact you before that to check your availability.

Commissioner Pannell encouraged all the Board to participate in the activities and particularly attend the AAPA events because they were so beneficial.

Hearing no further business to come before the Marketing Committee, Commissioner Prescott adjourned the meeting at approximately 12:38 p.m.

Commissioner Gregorio made a motion to approve the minutes. Calling for any discussion and hearing none, he said all in favor please say "Aye". Opposed? That passes.

YEAS: Commissioners: Sam N. Gregorio, Roy Griggs, Erica R. Bryant, Capt. Thomas F. Murphy, James L. Pannell and Steve Watkins.

NAYS: None

ABSENT: Lynn Austin, James D. Hall and Rick C. Prescott

ABSTAINING: None

Operations Committee Report of September 11, 2017. The meeting was called to order by Commissioner Griggs, Chairman, at approximately 12:39 p.m., September 11, 2017 at the Regional Commerce Center Board Room. He recognized the guests that had come in since introductions: Melvin Douglas, Sherron Douglas, Calvin Douglas, Douglas Construction and Ty Scroggins, Scroggins Consulting.

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

Guests in attendance: Mike McSwain, Mike McSwain Architect; Paul Lambert, Lambert Advisory; Kevin Bryan, Kevin Bryan Architect; Charley Kingery, Wieland; Sarah McKinney-Williams and Robert Pou, Gremillion & Pou; Tanita G. Baker and Shirley Wilson, EJES, Inc.; Joe Johnson and George Carroll. Staff members: Eric England, Danye Malone, Brenda Levinson, Ted Knight, Rick Nance, Kathy French and Hettie Agee.

Hearing no public comments on the agenda items, Commissioner Griggs called on Hugh for the Operations report. He wanted to make mention that you'll notice as we start looking and talking about amending this year's budgets and proposing next year's budgets you'll see the track maintenance and repair item has gone up. That's been primarily due to a couple of the concrete crossings that we've had repaired. Over the last couple of years we've tried to bring that budget number down on track maintenance and repair and so we're gonna probably have to start increasing that a little bit as we need to do some more maintenance. The more track that we build as years go forward the more maintenance and repair that's required.

Moving on to barge activity, in July we had a River crest of about 23.5 ft. In August we had a crest of 21 ft. Right now it's back down to pool stage. It's been a pretty wet summer, so as far as I know, the

River's in pretty good shape now. We did have some crane repairs that had to be done both on the 50 ton and the 27.5 ton crane, the two big cranes on the dock. When you see financials, you'll see some expenses there. Both cranes are functioning now working. Today we're using the 50 ton to unload coils for Ternium. A Ternium barge is out there today, a Vulcraft barge tomorrow. The 27.5 ton crane was used last week in unloading the slabs for Nucor. We're also for future planning seeing how we can increase the capacity of both cranes so that they're a little bit more universal. The slabs are too heavy for the 50 ton crane so that's why we're using the 27.5 ton crane. The slabs are short and wide and on the 50 ton crane there's two 25 ton hoists but you can't get them close enough together to basket that slab. So we're using the 27.5 ton crane. If we can get those crane capacities increased, then it may be possible that we use either crane to do the slabs and the coils. That also brings into play the potential for a fork truck. We've thought about initially to purchase a fork lift that would handle a 50,000 lb. slab. They make trucks that do that and also you can handle coils with it as well which would free up the crane and give us a little bit more capacity and flexibility. Fortunately we're working with ADS on handling the slabs. So we're off loading the barge with the slabs and then handing it off to ADS in their trucks and then they're stacking it in their warehouse. Of course, our warehouse is full of coils for Vulcraft. We've been really busy this past month. We had 4 Vulcraft barges and 3 Ternium barges for 9700 tons. Red River Terminals reported 2 barges of petroleum and Oakley reported 25 barges of frac media for a total of **34 barges, 53,567 tons**. You're looking at probably 450,000 tons by years end for barge. So if you add the rail and the barge, I would expect us to exceed a million tons for the year at the current rate.

Commissioner Murphy said I would like to make a comment. I would like to encourage my fellow commissioners to think positively about purchase rather than rent of the fork lift for the capacity to handle the slabs. We're looking at only an increase, and not a decrease, so I'm gonna strongly suggest to you when it comes budget talk time that we consider favorably getting our own heavy lift fork truck to be able to handle exactly what we're doing now depending on someone else's. Hugh said it would increase production because then you're depending on someone else supplying you with trucks. It would surely improve production as well. Commissioner Bryant said Eric, you'll be bringing that before us at the budget meeting? Eric said we'll have it. Commissioner Griggs called for any other questions or comments and called on Rick for Port Projects.

Rick said we will start with the presentation of two of the projects that we put out for public bid. We would have had three but we had a hiccup in the ability of the contractor to get on to Bid Sync, so I had to do a delay of one week. We were inside the 72 hour limit, so we won't see a bid yet on the fender project but it's coming. I'm going to start with the warehouse project. Kevin Bryan is going to brief it first.

Kevin said I'm here to report on the bid results for the Heavy Load Multimodal Warehouse Expansion, the project we refer to as the ADS expansion. Bids were opened on August 16, 2017 at 2:00 p.m. We received 5 bids. Our advertised budget for this project was between \$5.5 and \$6 million. Our bids ranged from \$5.5 to \$6.4 million. But of the five bids received, four were within budget meaning under \$6 million. We received bids from Boggs and Pool, Integrity, McInnis Brothers, Ratcliff Construction and Wieland. No electronic bids were received. The low bid was from Wieland in the amount of \$5,524,082.51. A review of Wieland's MBE's solicitation logs revealed that a wide search for

participation was conducted and that their MBE participation rate for this project is 29.25%. So at this time I am recommending that the Board consider awarding the contract for this project to Wieland. Any questions? Commissioner Griggs asked if Wieland is a local company and Kevin said yes sir, they've performed a lot of work out here at the Port in the last ten to twelve years. Commissioner Griggs asked are they locally? Kevin said yes sir. Commissioner Griggs called for any other questions. Commissioner Pannell said I would just comment that I'm very appreciative of the minority percentage. We have spent considerable amount of money and time to make sure we put things in place to make their goal more attainable and at this point hopefully it appears that has happened and I would like to commend Wieland for obtaining that goal. That's something that we worked hard to do. Commissioner Griggs asked if there was any action that we should take now. Eric said we'll place it on the agenda later this month to award this project to Wieland later this month. Rick said this is a DOTD project, so we have some requirements, resolutions that go along with this as a result of it being funded by DOTD in part. Commissioner Pannell said it would not have to come back before this Board before we make the final decision? Rick said no.

The second bid is the first phase of the railroad expansion and Tanita from EJES will brief that. Phase I of the North Satellite Rail Yard Improvements was advertised for bids on July 18, July 25 and August 1st. The initial bid opening was scheduled for August 16th. A non-mandatory pre-bid meeting was held on August 7. We had representatives from 10 construction firms attend that. Three addendums were issued. Addendum No. 1 added an additional contractor's license classification. It was highways, streets and bridges to increase the number of contractors that could bid on the project. We also provided a corrected copy of the MBE/WBE participation special provision. Addendum No. 2 was held after the pre-bid meeting. It clarified and answered contractors' questions and items that were discussed during the pre-bid meeting. Addendum No. 3 extended the bid date to August 23rd. An adjustment was needed to be made on Bid Sync and that would affect contractors that were trying to submit electronic bids. The bids were actually opened on August 23rd. There were 3 bid packages submitted: Bob Polivka, Polivka International Company, 2 R Construction, an MBE firm, and Douglas Construction which also an MBE firm. Bids from Polivka and 2 R were rejected because they did not have their contractor's license shown on the outside of the envelope which violated the public bid law. We moved forward with working with the third bidder, Douglas Construction, to receive the documentation that they're required to submit 10 days after they're notified of being the low bidder. This includes documentation of good faith efforts to solicit M/WBE participation. The M/WBE special provision states that "failure to provide the required documentation of good faith efforts may render a proposal or bid non-responsive". Good faith efforts include documentation of contact of M/WBE firms no less than 7 days prior to the bid opening with the first contact being made by letter or fax and follow up contact being by phone. The M/WBE requirements were reiterated during the pre-bid meeting and potential bidders were made aware that all of them would have to adhere to these requirements even if they themselves were MBE's. Douglas Construction did not have the required documentation of initial contact being made via letter or fax. As a result, they're considered to be a non-responsive bidder. So at this time, we do not have a bidder to recommend to you.

Commissioner Griggs said let me reiterate. So what you're saying all three of the bids was rejected....Tanita said yes...So at this point we need to....Tanita said we need to re-bid the project....offer a motion to have the project re-bidder? Tanita said yes. Commissioner Griggs said are there any questions before we move forward with that, any comments?

Commissioner Pannell said yes sir, Mr. Griggs. I notice we have people here from Douglas Construction and I would like to give them the opportunity to rebut or refute the position that they was non-responsive, if they desire and that is the will of the Board.

Commissioner Griggs said if I'm clear now, those that were rejected they can also rebid again the second round. Is that correct? So would that satisfy your question? Commissioner Pannell said this is my position is that if they are here, I don't know what their position would be but I would not want to find out what their position would be by somebody filing a lawsuit and they're sitting here if we can deal with the issue if they have a position. If they don't have a position, that's fine. Do y'all agree with the ruling? Because I think after you have explained this to them on the ruling-- Danye said I've spoken with counsel for Douglas Construction this morning and shared with her that under the provisions of Title 38 of the Louisiana Revised Statutes, it's mandatory that the provisions of the Louisiana Public Bid Laws and those stated in the bidding documents cannot be waived by a public entity and that's the position that we've taken. Commissioner Griggs said Commissioner Pannell do you still want to move forward or does that satisfy you? Commissioner Pannell said they have no comment to me. I'm fine. (inaudible) Commissioner Griggs said is it permissible---Eric said Commissioner Griggs, it's my understanding that the representatives of the company would like to address the Commission at this time. Commissioner Griggs said that being the case, with the Board's permission, we will allow them to speak. Please come forward.

She said good afternoon. I am Sherron Faye Douglas of the SPD firm LLC. I am here today speaking on behalf of Douglas Construction and Remodeling Incorporated. I appreciate you Board for hearing us on today and I assure you we will be brief. We just heard the reading from the architect that the bid has been considered to be unresponsive. However I consider you to just for a few seconds consider three things. First, please consider Douglas Construction's good faith effort, two, the part of the company custom that took into play here and as well, number three, that they met and exceeded the MBE goal. On that first point of the good faith effort, pursuant to Addendum No. 1 which you have a copy of, it states that Good Faith Efforts shall be defined as a provider of a contractor's effort to solicit MBE bids and then it goes on to state that those who..and point number one, those who do not make Good Faith Effort to include M/WBE's shall be considered non-responsive. However point number two reads failure to provide required documentation of good faith efforts may render a proposal non responsive which is why we're here today. I will reiterate on that in a few moments, so please just keep in the back of your minds that you MAY render the proposal non-responsive which means you have the option that you can render it is responsive. On the second point, company custom, which plays a huge role in this situation we find ourselves in today.

Paragraph 8 states in Addendum 1 what should not shall be done to define Good Faith performance. Douglas Construction has been in business here locally as a minority business for approximately 30 years. They have maintained their license during that 30 years and have been quite successful. It is their custom to make phone calls, not letters to advise a potential sub- contracting opportunities. Therefore it was reasonable to interpret the SHOULD as being non-permissive language meaning that it was not necessary for them to send out these letters as well as the faxes. Now Paragraph 9 does go on to state that documentation of good faith efforts shall include the following documents. However, once again I ask you to consider the fact although they did not send the letters and the faxes to the MBE's, Douglas Construction did make a good faith effort to make contact with

those subs. They document that contact which you can see on Form 1 which you have before you today. And subsequently they provide the Port with sworn affidavit further attesting to the fact that it had been done in a timely manner once they came to the understanding that should was not permissive that it was mandatory. On the third point I would like to point out to you that Douglas Construction did meet and exceed the MBE goal. Pursuant to Addendum No. 2, clarification number 3 under Administration, it states that documentation of contacts with MBE's for construction of goods shall occur which means it must no later than seven(7) working days before the bid opening. These shall be logged in Form 1, which is to be submitted on request after the bid opening. The MBE goal is 35% for all bidders. In our case in front of us today, Douglas Construction did in its entirety according to the specifications, fill out in its entirety Form No. 1 where it listed that they needed to have the fax or the letters, they filled out in its entirety, they did not ignore it, they put none because it was their understanding due to their 30 year company customs that it was optional, so they did put none. They did not intentionally not send out faxes or letters; it's just because of their over three decades of business, they've never done that before.

In this case, Douglas Construction complied with all the administration specifications in Addendum No. 2 because they made contact with those M/WBE's via telephone no later than 7 working days before the bid opening and logged this information to Form 1. In addition, Douglas Construction exceeded the 35% MBE goal because of their outside MBE sub-contractor participation which is 16.37% and Douglas Construction, a minority business enterprise itself accounts for 43.41% of minority participation. This accounts for a total of 59.78 minority participation which exceeds the 35% goal. In conclusion, Douglas Construction asks that you consider their Good Faith Effort, their company custom and the fact that they met and exceeded the MBE target goal for this project and re-consider awarding them for the Caddo-Bossier Port Commission North Satellite Rail Yard Improvements Phase I project. We appreciate your time and we look forward to your careful consideration. Thank you.

Commissioner Griggs thanked her and asked if there were any questions? Commissioner Pannell said I would just like to make one other comment here. And I would like to refer back to a regular meeting of July 23rd of 2009 where we had a top project that Cecil Gassiott was the low bidder on a project and he was represented by Mr. Russell Wray and Ms. Alleson Jones in that meeting and he argued that because he exceeded the minority participation, then that requirement should be waived. I refer to comment by Commissioner Hall. Commissioner Hall asked him your position is if you met the goal, the good faith effort is irrelevant? Mr. Wray answered yes. Mr. Hall said that's a technicality that does not come in unless you do not meet the goal and when you have an option of looking at the Good Faith Effort. Mr. Wray answered exactly right and in that instance, that project was given to Mr. Gassiott. So I would just like for the Board to take all that into consideration in this situation making a point that we have worked hard to make sure that we do minority participation and nothing that—I want to make sure that nothing we do as a Board causes us to go against that position, but I would like to take this whole process in its entirety into consideration. Thank you.

Commissioner Griggs called on Commissioner Watkins who said Dannye, how black and white is this? To me, this is the exact type of company business we've been trying to help and bring in for the last fifteen years. That's what MBE is all about, granted that I realize we have State bid laws that have to be followed but how black and white is it? Dannye said, Mr. Watkins there are two Supreme Court cases, Hamps and Broadmoor vs. Ernest Morial. In both of those cases, the Louisiana Supreme Court

made it emphatically clear. The Supreme Court stated “it is clear and unambiguous when a public entity elects to place certain requirements in its advertisements for bids and on its bid forms, that entity is bound to those requirements and may not choose to waive them at a later date”. It goes on to say that once the public entity establishes a requirement, that requirement must be uniformly followed by all bidders. I think the bid law is fairly clear. And the bidding documents also include the bid form, it includes the advertisement for bids, it includes the special provisions. Now in this particular case our MBE requirements are considered special provisions and the language and the provisions contained in the special provisions are not subject to waiver by any public entity. I think it’s crystal clear.

Commissioner Watkins said in our Form 1 we have the Name of the Subcontractor, Date of FAX/Letter, then it says by Phone Contact. As in the instructions to this, is it very clear that they are to fax or send letter or is it...Dannye said this is how the Addendum reads, the MBE requirements. It says that the “Bidders or proposers first contacts with M/WBE’s shall be by letter or fax advising of potential subcontracting/supply opportunities”. Documentation of good faith efforts shall include the following documents: Log of contacts with M/WBE’s forms; Copy of letter or fax sent to M/WBE’s; Compliance Form 3 and If applicable, a solicitation Form 2. So I think it’s mandatory. Commissioner Pannell said how SHALL BE, that’s the. Dannye said SHALL is mandatory. Commissioner Prescott said it’s like matter of fact. Dannye said SHALL is mandatory. Commissioner Pannell said that was my question. Dannye said SHALL is mandatory. Commissioner Griggs said Dannye to be fair, what’s your position? Dannye said I think the law is clear, Commissioner Griggs. No public entity can waive the requirements of the bid law or any provision or requirement contained in the bidding documents. These are requirements contained in the bidding documents. The bid law prohibits the waiver of any provision in the bidding documents as well as the provisions in the bid law. I think it’s clear. Commissioner Austin said I think our attorney has made clear we need to re-bid. Commissioner Griggs said okay. Dannye said I don’t think the body has a choice. Commissioner Austin said I do too. I agree. So let’s move on and rebid. Commissioner Griggs said so is there a motion at this time would be in order to move on with the re-bids? Commissioner Austin said I make a motion we follow the recommendation of our counsel. Commissioner Murphy seconded the motion. Commissioner Griggs said it’s been moved and properly seconded that we follow the recommendation of our counsel that we re-send our public bidding for the Rail Road Improvement project. Is there any discussion at this time? If no discussion, all in favor, say “Aye”. Opposed? No opposed. The motion passed unanimously.

YEAS: Commissioners: Sam N. Gregorio, 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: None

ABSTAINING: None

Commissioner Griggs called on Rick for Ongoing Projects. 1. The hole is closed. We now have a full complete alternate water line. We’ve got one section yet to pressurize and check it. We’re gonna start next week headed toward Benteler to give them their alternate source; 2) The stevedore’s parking shed is done and will concrete underneath it and 3) the wall panel on the 30,000 sq. ft. warehouse has been reformed and poured.

Commissioner Griggs called on Eric for our ongoing projects. Eric said at one of our recent discussions regarding Port Expansion and the commercial development, there was discussion regarding a feasibility study related to commercial development and the selection of a consultant for that purpose. Mike

McSwain is here with us today with the gentleman that is conducting that feasibility study and I've asked them to join us at the podium and make a brief presentation and any Q and A before they get started on the evaluation.

Mike said it's good to see you all again. As we talked about before for the new commercial development potentially, we've engaged with Lambert Advisory. They're in town doing some recon right now. They anticipate being done with their report in about 45 days. I would like to introduce you to Paul Lambert and he can introduce himself and answer any questions you might have. We are a real estate advisory firm. We work for a variety of industries, corporate, private development industry, government agencies, quasi government agencies like yourselves, primarily focused on understanding and evaluating the ability to develop real estate, real estate holdings, real estate assets. In this particular case, just by way of background we also have quite a bit of experience working directly for ports all around the world. Our port work started about 20 years ago in the Caribbean evaluating cruise port development in various ports trying to figure out how many drinks you could sell to each cruise passenger off the ship. We evolved from that to now working for ports globally on the development of their real estate assets because as you know, some ports are more exclusively maritime ports, the Port Everglades, the Port of Norfolk, VA. Some are real estate ports only such as San Diego; for example, some are mixed, Corpus Christi, Texas, the Port of New York and New Jersey and many of them have real estate interests and real estate needs. So we've specialized over the years in helping ports think through that and making sure that there's a balance between their access for maritime, intermodal needs as well as other commercial development or to enhance revenue, or provide service support, to enhance economic development interests. Our analysis will really start with a demand analysis for how much commercial activity in terms of retail, restaurants, daycare, personal services such as dry cleaning, others that can be supported both from various sources of opportunity. The Port workers themselves are not a small group, about 1700 workers. The surrounding community, those that come and drive on Hwy. 1 everyday, pass through and pass in front of the Port. We'll make an estimate of how many square feet and at what rental rates there's demand to be able to provide you some guidance in terms of developing commercial activity on the Port. We'll also help think through some of the site considerations and site constraints. Obviously there is quite a bit of demand that sits right here. One of the challenges is the site that you're currently looking at is across the railroad tracks and not a unutilized line of rail. It's heavily utilized. So that has implications also for retailers and restaurants and others in terms of access. But to work with Mike who we have a long and very good working relationship with to think through those opportunities, constraints and to help the Port and this Board and your staff be able to able to position in a way that the development is most successful and provides the most support and service to your Port community which of course is the essential aspect of what you all do everyday. With that, I obviously would be more than happy to take any questions or answer anything or make other comments. As Mike said, we'll be done and back to you within a period after 45 days to complete our analysis and tie this up. Thank you.

Commissioner Griggs said thank you and asked if there were any questions from commissioners?

Eric said I have nothing further.

Hearing no further comments, the meeting was adjourned at approximately 1:15 p.m.

Commissioner Griggs said the Operations Committee Meeting minutes of September 11, 2017 are also in your package. If there's been no changes, I move for approval. Commissioner Gregorio called for any discussion. Hearing none, he said all in favor, please say "Aye". Opposed? The motion passes.

YEAS: Commissioners: Sam N. Gregorio, Roy Griggs, Erica R. Bryant, Capt. Thomas F. Murphy, James L. Pannell and Steve Watkins

NAYS: None

ABSENT: Lynn Austin, James D. Hall and Rick C. Prescott

ABSTAINING: None

NEW BUSINESS:

Ordinance No. 2, 2017: AN ORDINANCE TO LEVY AND IMPOSE AN AD VALOREM TAX OF 2.51 MILLS FOR THE YEAR 2017, ON ALL BOSSIER PARISH PROPERTY (Mill Key #1026052) SUBJECT TO TAXATION IN THE JURISDICTION OF THE CADDO-BOSSIER PARISHES PORT COMMISSION, AND OTHERWISE PROVIDING WITH RESPECT THERETO: Mr. England said as you know the Port Commission is authorized to levy property taxes in both Caddo and Bossier Parishes. This Ordinance is in regard to levying a 2.51 mill property tax in Bossier Parish. It's recommended for adoption at this time. The motion was made by Commissioner Bryant and seconded by Commissioner Griggs. Commissioner Gregorio said we have a motion and a second. Commissioner Gregorio said open for discussion. Hearing none, all in favor, please say "Aye". Opposed? The motion passes. (Ordinance No. 2 published in *The TIMES*)

YEAS: Commissioners: Sam N. Gregorio, Roy Griggs, Erica R. Bryant, Capt. Thomas F. Murphy, James L. Pannell and Steve Watkins

NAYS: None

ABSENT: Lynn Austin, James D. Hall and Rick C. Prescott

ABSTAINING: None

RESOLUTION NO. 20 OF 2017

STATE PROJECT NO. H.013074 PARISH OF CADDO

BY THE CADDO-BOSSIER PARISHES PORT COMMISSION:

A RESOLUTION TO ACCEPT THE BASE BID OF THE LOWEST QUALIFIED BIDDER OF THE HEAVY LOAD MULTIMODAL WAREHOUSE EXPANSION PROJECT, AND TO OTHERWISE PROVIDE WITH RESPECT THERETO

WHEREAS, the Caddo-Bossier Parishes Port Commission (the "Commission") received bids on August 16, 2017, at 2:00 p.m., for the Heavy Load Multimodal Warehouse Expansion Project (the "Project") under the Louisiana Port Construction and Development Priority Program; and

WHEREAS, Kevin Bryan Architects has recommended that the award of the contract be made to Weiland-Davco, the lowest qualified bidder;

NOW, THEREFORE, BE IT RESOLVED by the Caddo-Bossier Parishes Port Commission, in regular session convened on this twenty-eighth (28th) day of September, 2017, acting pursuant to the recommendation of the Consulting Architect, Kevin Bryan Architects, that the Base Bid in the amount of Five Million Five Hundred Twenty-Four Thousand Eighty-Two and 51/100 (\$5,524,082.51) Dollars by Weiland-Davco be accepted and the contract be awarded to Weiland-Davco.

BE IT FURTHER RESOLVED that this Resolution shall become effective immediately upon its adoption.

/s/ Roy Griggs
Roy Griggs, Secretary-Treasurer

Sam N. Gregorio
Sam N. Gregorio, President

Mr. England said this is also referred to as the ADS warehouse expansion project. This is the one that is funded through the Louisiana Port Priority Program with advance funding coming from the Red River Waterway Commission. It's recommended to award the contract to Wieland-Davco Corporation in the amount of \$5,524,082.51. It's recommended for adoption at this time. A motion was made to adopt by Commissioner Watkins and seconded by Commissioner Bryant. Commissioner Gregorio said we have a motion and a second. Commissioner Gregorio said open for discussion. Hearing none, all in favor, please say "Aye". Opposed? The motion passes.

YEAS: Commissioners: Sam N. Gregorio, Roy Griggs, Erica R. Bryant, Capt. Thomas F. Murphy, James L. Pannell and Steve Watkins

NAYS: None

ABSENT: Lynn Austin, James D. Hall and Rick C. Prescott

ABSTAINING: None

RESOLUTION NO. 21 OF 2017

STATE PROJECT NO. H.013074 PARISH OF CADDO

BY THE CADDO-BOSSIER PARISHES PORT COMMISSION:

A RESOLUTION TO CERTIFY COMPLIANCE WITH THE PUBLIC BID LAWS FOR THE SOLICITATION OF BIDS FOR LOUISIANA STATE PROJECT NO. H.013074, AND TO OTHERWISE PROVIDE WITH RESPECT THERETO

WHEREAS, the Caddo-Bossier Parishes Port Commission (the "Commission") has solicited bids for State Project No. H.03074, the Heavy Load Multimodal Warehouse Expansion Project, in accordance with the current bid laws of the state of Louisiana, including, but not limited to La. R.S. 38:2211, et seq; and

WHEREAS, the Commission has submitted to the Department of Transportation and Development (DOTD) Certification of proof of publication, one (1) copy of the bid proposals and bid bonds as submitted by each of the three (3) lowest bidders, a legible copy of the bid tabulation of all bids received, and certified to be correct by the Architect and an authorized official of the Sponsor, a

copy of the architect’s recommendation, contract documents, Notice of Award of Contract, and a copy of the recordation date of the Clerk of Court’s Office.

NOW, THEREFORE, BE IT RESOLVED by the Caddo-Bossier Parishes Port Commission, in regular session convened on this twenty-eighth (28th) day of September, 2017, that it hereby certifies that the bidding procedures comply with Louisiana Revised Statutes 38:2211, et seq.

BE IT FURTHER RESOLVED that this Resolution shall become effective immediately upon its adoption.

/s/ Roy Griggs
Roy Griggs, Secretary-Treasurer

/s/ Sam N. Gregorio
Sam N. Gregorio, President

Mr. England said also this resolution is in regard to the project referred to as the ADS warehouse expansion. This certifies our compliance with Louisiana laws with regard to bidding the project. It’s recommended for adoption at this time. A motion was made to adopt by Commissioner Griggs and seconded by Commissioner Bryant. Commissioner Gregorio said we have a motion and a second. Commissioner Gregorio said open for discussion. Hearing none, all in favor, please say “Aye”. Opposed? The motion passes.

YEAS: Commissioners: Sam N. Gregorio, Roy Griggs, Erica R. Bryant, Capt. Thomas F. Murphy, James L. Pannell and Steve Watkins

NAYS: None

ABSENT: Lynn Austin, James D. Hall and Rick C. Prescott

ABSTAINING: None

PORT DIRECTOR’S REPORT: Mr. England said with regard to the ADS warehouse expansion, the Joint Legislative Transportation Committee of the Louisiana Legislature will be meeting October 11, 2017. We’ll have a representative at that meeting. It’s important for us to attend that meeting because it will have our ADS warehouse expansion project on the agenda. As you’ll recall, the Waterway Commission is providing us the advance funding for this project but the Port Priority Program is awarding it in two different tranches. Everything is in order for us to receive that approval from the Legislative Committee. It will be recommended for approval by the DOTD staff.

I was honored to be with some other representatives of the Port today honoring Commissioner Griggs on being named the J. Pat Beard Industry and business person of the year. I just want to acknowledge that great honor and congratulate him. Commissioner Gregorio called for a round of applause. Mr. England said it was a great event--had an incredible turnout. Congratulations.

Hearing no further business to bring before the Commission, Commissioner Gregorio adjourned the meeting at approximately 4:39 p.m.

Respectfully submitted,

Commissioner Roy Griggs
Secretary-Treasurer

October 2017 Meeting Notices

Special Board Meeting: Monday, October 9, 2017, 10:00 a.m.

Marketing and Operations Committee Meetings, Monday, October 9, 2017, 12 Noon

Regular Board Meeting: Thursday, October 19, 2017, 4:30 p.m.

Regional Commerce Center, 6000 Doug Attaway Blvd, Board Room, Shreveport, LA