

BOARD OF COMMISSIONERS
PORT OF NEW ORLEANS MINUTES
OF
THE BUDGET COMMITTEE MEETING
JANUARY 26, 2016

A MEETING OF THE BUDGET COMMITTEE OF THE BOARD OF COMMISSIONERS OF THE PORT OF NEW ORLEANS, HELD IN THE PRESENTATION ROOM ON THE 4TH FLOOR AT ITS OFFICES AT 1350 PORT OF NEW ORLEANS PLACE, NEW ORLEANS, LOUISIANA, WAS CALLED TO ORDER BY COMMITTEE CHAIRMAN MICHAEL W. KEARNEY AT 1:40 P.M. ON TUESDAY, JANUARY 26, 2016.

COMMITTEE MEMBERS

PRESENT:

Michael W. Kearney, Committee Chairman
Gregory R. Rusovich, Member
William T. Bergeron, Member
Robert R. Barkerding, Jr., Member
Laney J. Chouest, Member
Arnold B. Baker, Member

COMMITTEE MEMBER

ABSENT:

Scott H. Cooper, Member

STAFF:

G. LaGrange, President and Chief Executive Officer
B. Christian, Chief Operating Officer
B. Gussoni, Executive Counsel
C. Dunn, Director, Port Development
J. Penton, Chief Information Officer
R. Wendel, Chief Financial Officer
F. Tharpe, Deputy Director, Port Development
M. Gresham, Director, External Affairs
A. Fant, Executive Assistant, Capital Projects
M. Rubino, Staff Attorney
A. Pellegrin, Manager, Environmental Services
K. Frankic, Manager, Real Estate Development
W. Stokes, Administrative Assistant
H. Fontenot, Paralegal

GUESTS:

J. Holt, Government Consultants
L. Traweck, *City Business*
R. Hathaway, HNTB Corporation
C. Hathaway, HNTB Corporation

A. Determination of Quorum and Call to Order

Committee Chairman Kearney determined the existence of a quorum and called the meeting to order at 1:40 P.M.

B. Public Comment

Committee Chairman Kearney deferred any public comment until after the presentations.

C. Briefing and Discussion Items

1. Review of December, 2015, Financial Statement

Mr. Wendel briefed the committee on the December, 2015, financial statement. He distributed a report detailing the financial information, a copy of which is made part of these minutes. He stated that overall December was better than expected and, on the revenue side, the month of December was below budget 2.9%, continuing the trend for the year. Mr. Wendel said that operating expenses continue to be below budget, 3.7% for December and 5.4% midyear to date. He said that all divisions are below budget, the biggest reduction being labor. Mr. Wendel stated that the good news is operating income before depreciation is \$2,500 below budget for December, but for the year, we remain \$285,000 above budget.

Commissioner Chouest commended the staff for managing the budget in this climate and environment. He thanked the staff for making its presentations in an interactive way.

2. Briefing on and Discussion of a Resolution Authorizing the President and Chief Executive Officer to Enter into a Professional Software and Services Agreement with SHI, Inc., to Provide Process and Analytical Software Services for Automating Workflow and Enabling Advanced Data Analysis.

Mr. Penton briefed the committee on and recommended approval of a resolution authorizing the President and Chief Executive Officer to enter into a professional software and services agreement with SHI, Inc., to provide process and analytical software services for automating workflow and enabling advanced data analysis. He distributed a handout captioned SHI/Salesforce Software, detailing the proposal, a copy of which is made part of these minutes. Mr. Penton stated that he and his staff are proposing a software solution that will automate processes on the front end and

provide advanced analytic reporting capabilities on the back end. He said that the software will allow us to migrate from a static environment, i.e., Crescent software, to software that will automate workflow and enable advanced data analysis. Mr. Penton discussed the Salesforce pricing and discounts, license structure, and internal staff development. He mentioned the alternative of on-site/premise hardware as opposed to the Salesforce cloud offering. He further discussed the more expensive on-premise pricing and the detriments of this alternative. Another option that Mr. Penton mentioned was to remain on Crescent and bear the brunt of imminent failure, disruptions and inefficiencies, and expect an increase in costs and staff.

Several of the commissioners posed a variety of questions to Mr. Penton concerning prices, cybersecurity safety issues, and whether other ports might be using cloud services also.

Commissioner Bergeron stated that he recommended the proposed software. After discussion, the committee indicated it would refer this matter favorably to the Board at its next regularly scheduled meeting.

Mr. Penton mentioned that the software program is the best analytical engine that he has ever encountered.

D. Adjournment

There being no further business to come before the committee, Committee Chairman Kearney adjourned the meeting at 2:28 P.M.

BOARD OF COMMISSIONERS
PORT OF NEW ORLEANS
MINUTES OF
THE PLANNING AND ENGINEERING
COMMITTEE MEETING

JANUARY 26, 2016

A MEETING OF THE PLANNING AND ENGINEERING COMMITTEE OF THE BOARD OF COMMISSIONERS OF THE PORT OF NEW ORLEANS, HELD IN THE PRESENTATION ROOM ON THE 4TH FLOOR AT ITS OFFICES AT 1350 PORT OF NEW ORLEANS PLACE, NEW ORLEANS, LOUISIANA, WAS CALLED TO ORDER BY COMMITTEE CHAIRMAN LANEY J. CHOUEST AT 2:29 P.M. ON TUESDAY, JANUARY 26, 2016.

COMMITTEE MEMBERS

PRESENT:

Laney J. Chouest, Committee Chairman
Gregory R. Rusovich, Member
William T. Bergeron, Member
Michael W. Kearney, Member
Robert R. Barkerding, Jr., Member
Arnold B. Baker, Member

COMMITTEE MEMBERS

ABSENT:

Scott H. Cooper, Member

STAFF:

G. LaGrange, President and Chief Executive Officer
B. Christian, Chief Operating Officer
B. Gussoni, Executive Counsel
C. Dunn, Director, Port Development
R. Wendel, Chief Financial Officer
P. Zimmermann, Director, Operations
F. Tharpe, Deputy Director, Port Development
M. Gresham, Director, External Affairs
A. Pellegrin, Manager, Environmental Services
K. Frankic, Manager, Real Estate Development
A. Fant, Executive Assistant, Capital Projects
M. Rubino, Staff Attorney
W. Stokes, Administrative Assistant
H. Fontenot, Paralegal
J. Gommel, Berthing
J. Crist, Operations

GUESTS:

L. Traweek, *City Business*
J. Hird, Moffatt & Nichol
R. Hathaway, HNTB Corp
C. Hathaway, HNTB Corp

A. Determination of Quorum and Call to Order

Committee Chairman Chouest determined the existence of a quorum and called the meeting to order at 2:29 P.M.

B. Public Comment

Committee Chairman Chouest deferred any public comment until after the briefings.

C. Briefing and Discussion Items

1. **Briefing on and Discussion of a Resolution Awarding a Contract to Neil Coggins Enterprises, LLC, dba Service Master of Greater New Orleans, for Demolition of and Repairs to Sheetrock and Siding Caused by Wind Damage at the Julia Street Cruise Terminal.**

Before Ms. Dunn began her presentation of her items, she introduced Mr. Fred Tharpe, who is the new deputy director for engineering, construction and contract administration.

Ms. Dunn briefed the committee on and recommended approval of a resolution to authorize the President and Chief Executive Officer to enter into a contract in the amount of \$30,500 with Neil Coggins Enterprises, LLC, dba Service Master of Greater New Orleans, the only responsive bidder, for all labor, material, and equipment for demolition and repairs of sheetrock and siding necessitated by wind damage at the Julia Street Cruise Terminal. The contract is funded by FEMA and the Board's FY 2016 capital improvement program.

After discussion, the committee indicated it would refer this matter favorably to the Board at its next regularly scheduled meeting.

2. **Briefing on and Discussion of a Resolution Awarding a Contract to Centric Gulf Coast, Inc., for the Mississippi River Intermodal E-RTG Crane Maintenance Facility.**

Ms. Dunn briefed the committee on and recommended approval of a resolution to award a contract at a cost not to exceed \$896,451 to Commissioner Bergeron commented that the project and bids appeared to be over budget. Ms. Dunn replied that some electrical work that needs to be addressed came in higher than expected.

After discussion, the committee indicated it would refer this matter favorably to the Board at its next regularly scheduled meeting.

3. Briefing on and Discussion of a Resolution Authorizing the President and Chief Executive Officer to Enter into an Amendment to the Professional Services Contract with Modjeski and Masters, Inc., for As-Needed Professional Services for Bridges at the St. Claude Avenue Bridge.

Ms. Dunn briefed the committee on and recommended approval of a resolution to authorize the President and Chief Executive Officer to enter into an amendment at a cost not to exceed \$43,000 to the professional services contract with Modjeski and Masters, Inc., to provide design and construction, engineering and inspection services for various repairs at the St. Claude Avenue Bridge. The contract is funded by the Board's FY 2016 capital improvement program.

After discussion, the committee indicated it would refer this matter favorably to the Board at its next regularly scheduled meeting.

4. Briefing on and Discussion of a Resolution Authorizing the President and Chief Executive Officer to Enter into an Amendment to the Contract with Hard Rock Construction, LLC, for the Mississippi River Intermodal Terminal Improvements.

Ms. Dunn briefed the committee on and recommended approval of a resolution to authorize the President and Chief Executive Officer to enter into an amendment in an amount not to exceed \$246,949 to the contract with Hard Rock Construction, LLC, for reconciliation of contract line items and new contract line items at the Mississippi River Intermodal Terminal. The contract is funded by the TIGER IV Grant from USDOT Maritime Administration and the Board's FY 2016 capital improvement program.

Commissioner Chouest expressed concern over the price and change orders of the project. Ms. Dunn replied that there was more concrete work and excavation necessary than originally anticipated. She said quantity adjustments to concrete and asphalt were necessary. Ms. Fant confirmed this, stating that the consultant underestimated the bid quantities for the concrete and the excavation for which there were unit costs. She stated that these unit costs were the basis for the additional amounts caused by the increased quantity of the concrete and excavation.

Commissioner Chouest asked if we had a way of capturing the learning. Ms. Dunn replied this is what Mr. Tharp will be doing.

After discussion, the committee indicated it would refer this matter favorably to the Board at its next regularly scheduled meeting.

5. Briefing on and Discussion of a Resolution Authorizing the President and Chief Executive Officer to Enter into an Amendment to the Contract with Command Construction, LLC, for the Poland Avenue Wharf Access Roadway Improvements.

Ms. Dunn briefed the committee on and recommended approval of a resolution to authorize the President and Chief Executive Officer to enter into an amendment to the contract with Command Construction, LLC, in an amount not to exceed \$89,664.76 for reconciliation of a contract line item, new contract line items, and contract time extensions at the Poland Avenue Cruise Terminal. The contract is funded by the Board's FY 2016 capital improvement program.

After discussion, the committee indicated it would refer this matter favorably to the Board at its next regularly scheduled meeting.

6. Briefing on and Discussion of a Resolution Authorizing the President and Chief Executive Officer to Enter into a Preliminary Engineering Agreement with CSX Transportation, Inc., to Assist with Design and Coordination of the Almonaster Avenue Bridge Replacement Project.

Ms. Dunn briefed the committee on and recommended approval of a resolution to authorize the President and Chief Executive Officer to enter into an agreement with CSX Transportation, Inc., in an amount not to exceed \$96,250 to assist with design and coordination of the Almonaster Avenue Bridge replacement project. Funding will be cost-shared among

the LADOTD, the Regional Planning Commission, and the Board, with 80% funding from federal funds and 20% from Board funds.

Commissioner Chouest expressed concerns about the Board's costs and the bridge. Ms. Dunn replied that, because the canal was built after the railroad crossing was already in existence, the Board is responsible for the bridge and must maintain the railroad track on the bridge as well.

Mr. LaGrange asked if Ms. Dunn could provide a briefing on funding sources. Ms. Dunn replied that she would be able to provide that information in a briefing at next month's meeting.

Commissioner Chouest mentioned that, since the Board has responsibility for maintaining and keeping the bridge in operation, he would like to find and place talent in a position to look at materials that work in marine environments. He stated that he did not know when the project will be at the point of looking at specifications or when it will be built. Ms. Dunn replied that it is already at 75% of the final design.

After discussion, the committee indicated it would refer this matter favorably to the Board at its next regularly scheduled meeting.

7. Briefing on and Discussion of a Resolution Authorizing the President and Chief Executive Officer to Enter into a Professional Services Contract with Moffatt & Nichol, Inc., for Development of the Board's 2016 Master Plan.

Ms. Dunn briefed the committee on and recommended approval of a resolution to authorize the President and Chief Executive Officer to enter into a contract with Moffatt & Nichol, Inc., in an amount not to exceed \$250,000 to develop the Board's 2016 Master Plan. The contract is funded by the Board's FY 2016 capital improvement program.

Commissioner Bergeron commented on having extensive commissioner and staff involvement in the vetting process and that Board members were satisfied with the staff's recommendation of the consultant selection. He thanked all involved for their efforts.

After discussion, the committee indicated it would refer this matter favorably to the Board at its next regularly scheduled meeting.

8. Briefing on and Discussion of a Resolution Authorizing the President and Chief Executive Officer to Enter into an Agreement with the U.S. Environmental Protection Agency for the Clean Truck Replacement Incentive Program (Clean TRIP) Grant.

Ms. Dunn briefed the committee on and recommended approval of a resolution to authorize the President and Chief Executive Officer to enter into an agreement with the U.S. Environmental Protection Agency in an amount not to exceed \$727,000 for the Clean Truck Replacement Incentive Program.

Ms. Pellegrin gave a quick briefing on and explanation of the Clean Truck Replacement Incentive Program, explaining that the Board would administer the program. It is designed to enable truck owners to voluntarily invest in cleaner air through replacing older trucks with model year 2011 or newer.

Mr. LaGrange mentioned that this is a very sought-after grant and commended Ms. Pellegrin and her department for its resiliency and reapplying for it since they did not receive it last year.

Commissioner Rusovich asked if we had done any public relations on this, and Mr. Gresham said a press release would be going out tomorrow.

D. Adjournment

There being no further business to come before the committee, Committee Chairman Chouest adjourned the meeting at 2:56 P.M.

**BOARD OF
COMMISSIONERS PORT
OF NEW ORLEANS
MINUTES OF
THE PROPERTY AND
INSURANCE COMMITTEE
MEETING**

JANUARY 26, 2016

A MEETING OF THE PROPERTY AND INSURANCE COMMITTEE OF THE BOARD OF COMMISSIONERS OF THE PORT OF NEW ORLEANS, HELD IN THE PRESENTATION ROOM ON THE 4TH FLOOR AT ITS OFFICES AT 1350 PORT OF NEW ORLEANS PLACE, NEW ORLEANS, LOUISIANA, WAS CALLED TO ORDER BY COMMITTEE CHAIRMAN ROBERT R. BARKERDING, JR., AT 2:58 P.M. ON TUESDAY, JANUARY 26, 2016.

**COMMITTEE MEMBERS
PRESENT:**

Robert R. Barkerding, Jr., Committee Chairman
Gregory R. Rusovich,
Member William T.
Bergeron, Member
Michael W. Kearney,
Member Laney J.
Chouest, Member Arnold
B. Baker, Member

**COMMITTEE MEMBER
ABSENT:**

Scott H. Cooper, Member

STAFF:

G. LaGrange, President and Chief Executive Officer
B. Christian, Chief Operating Officer
B. Gussoni, Executive Counsel
C. Dunn, Director, Port Development
P. Zimmermann, Director, Operations
M. Gresham, Director, External Affairs
A. Fant, Executive Assistant, Capital Projects
M. Rubino, Staff Attorney
W. Stokes, Administrative Assistant
H. Fontenot, Paralegal
B. Sickinger, Risk Manager
J. Crist, General Operations
J. Gommel, Berthing

GUESTS:

L. Traweek, *City Business*

R. Hathaway, HNTB Corporation
C. Hathaway, HNTB Corporation
B. Laborde, Marsh & McLennan

A. Determination of Quorum and Call to Order

Committee Chairman Barkerding determined the existence of a quorum and called the meeting to order at 2:58 P.M.

B. Public Comment

Committee Chairman Barkerding deferred any public comment until after the presentations.

C. Briefing and Discussion Items

1. Briefing on and Discussion of a Resolution Awarding a Contract to Bell Lumber & Pole Company for the Purchase of 500 Eighty-Foot Untreated Timber Piles for Use in Maintenance of Board Fender Systems.

Mr. Zimmermann briefed the committee on a resolution authorizing the President and Chief Executive Officer to enter into a contract in the amount of \$315,000 with Bell Lumber & Pole Company, lowest of three responsive bidders, for the purchase of 500 eighty-foot untreated timber piles.

After discussion, the committee indicated it would refer this matter favorably to the Board at its next regularly scheduled meeting.

2. Briefing on and Discussion of a Resolution Authorizing the President and Chief Executive Officer to Amend the Board's Lease with New Orleans Terminal LLC for a Third Time to Provide for Commencement of Operations at the Mississippi River Intermodal Terminal, including the Use of Electric Rubber-Tired Gantry Cranes.

Mr. Zimmermann briefed the committee on a resolution authorizing the President and Chief Executive Officer to enter into an amendment to the Board's lease with New Orleans Terminal LLC (NOT) for a third time to provide for commencement of operations at the Mississippi River Intermodal Terminal, including the use of electric rubber-tired gantry (RTG) cranes.

He stated that the two Board-owned RTG cranes would be rented to NOT

on a discounted start-up basis for the first year at \$175 per hour for 20,001 to 30,000 lifts and at \$200 per hour for 30,001 lifts or greater.

The hourly rates will increase for year two to \$175 per hour for 1 to 20,000 lifts, \$200 per hour for 20,001 to 30,000 lifts, and \$225 per hour for 30,001 lifts or greater.

Commissioner Baker asked how proposed rates compared to other port rates in the Gulf South. Mr. Zimmermann replied that, based on his research, they did not find any similar rates. He mentioned the rates at the Port of Houston and said that the rates were comparable to our charges, but it is difficult to truly compare rates because we are not comparing apples to apples.

Several of the commissioners raised questions and concerns that were discussed regarding the new rates, number of lifts, hours of the cranes, and maintenance of the cranes.

Mr. Zimmermann stated that he was mindful to make sure that the cost for year one was covered and to continue growing the business for additional years.

After discussion, the committee indicated it would refer this matter favorably to the Board at its next regularly scheduled meeting.

3. Briefing on and Discussion of the Outlook for the Renewal of the Board's Property and Liability Insurance Policies for 2016.

Mr. Gussoni addressed the committee stating that the Port's property and liability insurance policies renew on April 1st of each year. He said the internal renewal process begins each year in the month of January with a general briefing to the commissioners on the outlook for the renewal. He also stated that in February, the staff will provide figures and a proposal for the purchase and cost of the policies.

Mr. Gussoni introduced Mr. Laborde, Head of Office and Managing Director at Marsh & McLennan Companies in New Orleans. Mr. Laborde distributed a report detailing the 2016 insurance renewal data, a copy of which is made part of these minutes. He gave a brief overview and explanation of the 2016 renewal process that involved the updated total insured values, underwriter meetings and visits, market results, and premium comparisons. Mr. Laborde discussed historical results that included the policies' forms, sub-limits, and deductibles.

Commissioner Chouest asked if Mr. Laborde had relationships with others besides Lloyd's of London. Mr. Laborde mentioned that he attended the Risk Insurers Management Services Conference 2015 with risk managers from around the country and the world as well as Lloyd's of London. He stated that he shares best practices with all of these companies and risk managers in order to figure out what the market is like.

Commissioner Chouest questioned Mr. Laborde on any discounts and reductions if there are no claims filed during the policy year. Mr. Laborde said that there are none and that discounts or reductions generally occur in marine programs when there are no claims filed for a particular year. He stated that he is seeking to add such programs into the policy.

Commissioner Baker asked if acts of terrorism were included in the policy. Mr. Laborde stated that last year the Board elected not to include terrorism on any policies. Mr. Gussoni mentioned that, after the attacks of September 11, 2001, the Board opted to leave Lloyd's of London in 2002 because of the high prices that Lloyd's added to the policies to address terrorism concerns at that time. He stated further that the staff will do a terrorism risk assessment before considering whether to recommend the purchase of any terrorism coverage.

Commissioner Chouest suggested creating an internet site or blog to share near misses, sell ads on the site or blog and anonymously share big mistakes and what not to do among Port customers.

Mr. Laborde mentioned that Berkshire Hathaway will be visiting on February 25th and that the Port is in a good position to maintain stability and receive price reductions from that underwriter.

Commissioner Chouest asked if the Asians are ever going to get into the market. Mr. Laborde said that they are already in it and have bought three Lloyd's syndicates which they continue to operate under their old names.

D. Adjournment

There being no further business to come before the committee, Committee Chairman Barkerding adjourned the meeting at 3:26 P.M.

**BOARD OF
COMMISSIONERS PORT OF
NEW ORLEANS MINUTES
OF
THE EXECUTIVE COMMITTEE**

MEETING JANUARY 28, 2016

A MEETING OF THE EXECUTIVE COMMITTEE OF THE BOARD OF COMMISSIONERS OF THE PORT OF NEW ORLEANS, HELD IN THE PRESENTATION ROOM ON THE 4TH FLOOR AT ITS OFFICES AT 1350 PORT OF NEW ORLEANS PLACE, NEW ORLEANS, LOUISIANA, WAS CALLED TO ORDER BY COMMITTEE CHAIRMAN WILLIAM T. BERGERON AT 9:03 A.M. ON THURSDAY, JANUARY 28, 2016.

COMMITTEE MEMBERS

PRESENT:

William T. Bergeron, Chairman
Gregory R. Rusovich, Member (arrived 10:20 a.m.)
Scott H. Cooper, Member (arrived 9:22 a.m.)
Michael W. Kearney, Member
Robert R. Barkerding, Jr., Member
Laney J. Chouest, Member
Arnold B. Baker, Member

STAFF:

G. LaGrange, President and Chief Executive Officer
B. Christian, Chief Operating Officer
B. Gussoni, Executive Counsel
D. Allee, Director, Cruise & Tourism
C. Dunn, Director, Port Development
B. Landry, Chief Commercial Officer
J. Penton, Chief Information Officer
R. Wendel, Chief Financial Officer
M. Gresham, Director, External Affairs
A. Fant, Executive Assistant, Capital Projects
B. Ethridge, Manager, Business Development
P. Matthews, Community Affairs Manager
A. Pellegrin, Manager, Environmental Services
K. Frankic, Business Development
W. Stokes, Administrative Assistant
H. Fontenot, Paralegal

GUESTS:

B. Rushing, Waldemar S. Nelson
T. Wells, Waldemar S. Nelson
W. Evans, River Consultants
C. Schlafer, NOMMA
T. McCormick, Salesforce
K. Baudin, Salesforce

1. Determination of Quorum and Call to Order.

- a. Committee Chairman Bergeron determined the existence of a quorum and called the meeting to order at 9:03 A.M.

2. Public Comment.

- 3. Chairman Bergeron called for public comment, but there was none.

4. Chairman's Comments.

- a. Commissioner Bergeron had no comments.

5. President and Chief Executive Officer's Comments.

- a. Mr. LaGrange welcomed and congratulated Commissioner Bergeron on being the Board's new chairman.

6. Briefing and Discussion Items.

A. Presentation by Colonel Christopher Schlafer, USMC (Ret.) Commandant, New Orleans Military and Maritime Academy (NOMMA).

Commissioner Cooper arrived at the beginning of this presentation.

Colonel Christopher Schlafer with NOMMA gave a brief presentation and overview of the academy's history. He highlighted its numerous achievements, its 650 cadets, academics, JROTC, various programs, athletics, renovations and construction, and its future planning. Colonel Schlafer mentioned that NOMMA is a non-profit charter school. He then stressed the diversity of the students and said it is considered to be the most integrated school in the State of Louisiana. Colonel Schlafer stated that its intent is to give each student a quality education.

Mr. LaGrange asked if NOMMA has a capital improvement program that would consist of expansion into the eighth grade arena as well as the sports complex. Colonel Schlafer replied that a funding plan is currently under discussion.

B. Briefing on and Discussion of an Engineering Study to Determine the Feasibility and Costs of Converting Assets at Avondale Shipyards into Port Facilities.

Mr. Bonura gave a brief presentation of an engineering study to determine the feasibility and costs of converting assets at the former Avondale Shipyards site

into Board facilities. He stated that the property is officially on the market. Its owner Huntington Ingalls Industries has listed it at an asking price of \$120,000,000 and is not interested in subdividing the property. Mr. Bonura suggested that this is an interesting time to investigate the proposal and gear up for the master plan that will include a market study of which commodities and trade lanes have a competitive advantage.

Chairman Bergeron asked the committee to hold questions until after the Waldemar S. Nelson & Co. (WSN) presentation. Mr. Bonura introduced Mr. Bill Rushing, Vice President with WSN, and asked him to give a presentation on the engineering study being conducted. Mr. Rushing distributed an executive summary detailing the current status of the Avondale Shipyard Utilization Study, a copy of which is made part of these minutes. He mentioned that the study focuses only on the marine side of the levee that includes thirty-two acres. Mr. Rushing discussed the timeline that included mainly meetings with port staff, Avondale, and WSN. He explained the property's existing layout, construction, proposed construction layout, access, permits, cost estimates, and potential barriers.

Mr. LaGrange asked if the costs will consist of a range with options. Mr. Rushing replied that there will be options and that there will be a range of contingencies because of the level of detail at this point of the study and that could possibly save money in several areas. Commissioner Baker asked if the costs would differentiate between Board ownership versus Board lease because of tax implications. Mr. Rushing replied that WSN will be providing a construction cost estimate to convert the thirty-two acres to become a Board facility.

There were additional in-depth conversations among staff members and commissioners that pertained to the property, existing layout, measurements, and assessment.

Commissioner Barkerding commented on moving forward in a swift mode because of other interested parties for development of their operations.

Commissioner Chouest expressed his concern on the environmental cleanup at the current facility site. Ms. Dunn replied that the site is very clean and that there was an environmental cleanup over the past twenty years. She said she did not foresee any problems.

C. Briefing on and Discussion of Resolution Authorizing the President and Chief Executive Officer to Enter into an Agreement with U.S. Environmental Protection Agency for the Clean Truck Replacement Incentive Program (Clean TRIP) Grant.

Commissioner Rusovich arrived at the start of this briefing.

Ms. Pellegrin briefed the committee on and recommended approval of a resolution to authorize the President and Chief Executive Officer to enter into an agreement with U.S. Environmental Protection Agency for the clean Truck Replacement Incentive

Program (Clean TRIP) grant. She distributed a fact sheet detailing the program, a copy of which is made part of these minutes. Ms. Pellegrin discussed and highlighted the project description, costs, key program partners, and the project period. She stated that the purpose of the incentive program is to enable truck owners to voluntarily invest in cleaner air through replacing older trucks with model year 2011 or newer.

Chairman Bergeron asked if the program will be administered in-house and the length of the program. Ms. Pellegrin replied that the program is a two-year grant period; it will be handled in-house; and that she will be the program manager.

Ms. Pellegrin and Mr. LaGrange both reiterated that, even though the Board is not receiving anything financially from participating in the program, it is a way to have a positive relationship with the trucking industry. Mr. LaGrange mentioned that the Port of New Orleans is in an air quality regulatory attainment area and is close to being in a non-attainment area. Participating in programs like this one will help the Port to be able to stay in an attainment area.

D. Briefing on and Discussion of Salesforce Process and Analytical Software.

Mr. Penton stated that, as a follow up to Tuesday's Budget Committee meeting, he asked Mr. Tim McCormick, National Vice President for State and Local Government with Salesforce, to give a brief presentation on the proposed Salesforce process and analytical software. Mr. McCormick discussed his company's background and how it reached the point of success.

Commissioner Rusovich asked if Salesforce services municipalities and cities. Mr. McCormick replied that the company's largest city customer is Washington D.C., its second largest city customer is Philadelphia, and its third largest city customer is Denver and its airport.

Mr. LaGrange asked if ports were serviced. Mr. McCormick said that the company is new to ports and that the Port of New Orleans would be the first.

Mr. McCormick spoke about the safety of the cloud, hosting servers and software, and remote backups. He stated that if their main data center goes down, then the data will automatically roll over to another data center.

Mr. Penton asked that Mr. McCormick address the topic of cyber-attacks and customer data breaches. Mr. McCormick stated that his company has never had a customer data breach in the sixteen years that it has been in business.

E. Update on Meetings in Washington, D.C.

Chairman Bergeron asked Mr. Matt Gresham to highlight the meetings in Washington, D.C. He distributed an outline detailing the meetings, a copy of which is made part of these minutes. The meetings participants included Chairman Bergeron, Commissioner Barkerding, Commissioner Baker, Mr. Gresham, Mr. Chris Johnsen, and Mr. J.J. Jaskot, both from Jones Walker DC. Mr. Gresham stated that the meetings were with Louisiana congressional delegation members, the U.S. Department of Transportation, and the U.S. Army, Corps of Engineers, to highlight needed federal support for port operations, capital investment, and dredging needs.

F. Report on Cargo Activity.

Mr. Landry reported that container volume for December was up 1% over November. The current year to date is down 1%, and he warned that the number will get bigger in January because of six vessel cancellations from high water in the Mississippi River. On the breakbulk side, Mr. Landry stated that November to December were about the same. Year to date, breakbulk was down 19% because of a decline in steel volume.

G. Report on Vessel Calls.

Mr. LaGrange reported on vessel calls on the year: year to date, there were 476 vessels versus 506 last year. Year to date in 2015, there were 5,384 and last year 5,335 vessel calls.

Commissioner Rusovich requested that at next month's meeting, Mr. Landry and his team provide the Board with some thoughts in terms of strategies for going after other markets to stop the decline, major targets, etc.

6. Other Business.

None reported.

7. Adjournment.

There being no further business to come before the committee, Committee Chairman Bergeron adjourned the meeting at 11:03 A.M.

BOARD OF COMMISSIONERS
PORT OF NEW ORLEANS
MINUTES OF
THE REGULAR MEETING OF
JANUARY 28, 2016

MEETING NO. 7, FISCAL YEAR 2016, A REGULAR MEETING OF THE BOARD OF COMMISSIONERS OF THE PORT OF NEW ORLEANS, HELD IN THE PRESENTATION ROOM ON THE 4TH FLOOR AT ITS OFFICES AT 1350 PORT OF NEW ORLEANS PLACE, NEW ORLEANS, LOUISIANA, WAS CALLED TO ORDER BY CHAIRMAN WILLIAM T. BERGERON AT 11:15 A.M. ON THURSDAY, JANUARY 28, 2016.

MEMBERS PRESENT:

William T. Bergeron, Chairman
Michael W. Kearney, Vice Chairman
Robert R. Barkerding, Jr., Secretary-Treasurer
Gregory R. Rusovich, Member
Scott H. Cooper, Member
Laney J. Chouest, Member
Arnold B. Baker, Member

STAFF:

G. LaGrange, President and Chief Executive Officer
B. Christian, Chief Operating Officer
D. Allee, Director, Cruise and Tourism
C. Bonura, Director, Business Development
C. Dunn, Director, Port Development
B. Gussoni, Executive Counsel
B. Landry, Chief Commercial Officer
E. Pansano, Director, Internal Audit
J. Penton, Chief Information Officer
R. Wendel, Chief Financial Officer
P. Zimmermann, Director, Operations
A. Fant, Executive Assistant, Capital Projects
M. Gresham, Director, External Affairs
S. Ordoyne, Special Assistant
G. Hager, Director, Human Resources
J. Cefalu, Deputy Director, Cruise & Tourism
S. Naser, Manager, Accounting
R. Aragon Dolese, Manager, Communications

B. Ethridge, Manager, Business Development
K. Frankic, Manager, Real Estate Development
A. Pellegrin, Manager, Environmental Services
R. Hecker, Chief, Harbor Police Department
J. Lynch, General Counsel
K. Ordoyne, Staff Attorney
M. Rubino, Staff Attorney
H. Horan, Human Resources
W. Stokes, Administrative Assistant
H. Fontenot, Paralegal
L. Richardson, Manager, Industrial Real Estate
B. Cromartie, Engineering
D. Austin, Engineering
A. Brandenburg, Internal Audit
B. Parent, Internal Audit
P. Herring, Internal Audit
S. Gauthier, Cruise and Tourism
J. Crist, General Operations
H. Wilbert, Marketing
T. Fortney, Information Technology
M. Steib, Information Technology
N. Polk, Communications
M. Villarreal, Safety Officer
J. Windsor, Safety
R. Munsch, Administrative Assistant
A. Taylor, Services

GUESTS:

L. Traweck, *City Business*
C. Balthazar, River Works
L. Spalluto, retired PONO engineer
G. Spalluto, wife of Mr. Spalluto
S. Spalluto, daughter of Mr. Spalluto
C. Misse, daughter of Mr. Spalluto
J. Ruckert, retired PONO chief financial officer
M. Ruckert, wife of Mr. Ruckert
T. Evert, Volkert
L. Conrad, Software House International, Inc.
L. Jemison, Jemison & Partners, Inc.
A. Sen, HNTB Corporation
K.M. Price, New Orleans Terminal
T. McCormick, Salesforce
K. Baudin, Salesforce
W. Evans, River Consulting
T. Wells, Waldermar S. Nelson Co.

I. Determination of Quorum and Call to Order

- a. Chairman Bergeron determined the presence of a quorum and called the meeting to order at 11:15 A.M.

II. Pledge of Allegiance

- a. Chairman Bergeron asked Secretary-Treasurer Barkerding to lead the Board and the audience in saying the Pledge of Allegiance, and he did so.

III. Approval of Minutes of December, 2015 Meetings

- a. On motion duly made by Chairman Bergeron and seconded by Vice Chairman Kearney, the Board unanimously approved the minutes of its public meetings of December, 2015, as previously circulated.

IV. Acceptance of Financial Statement for December, 2015

- a. On motion duly made by Vice Chairman Kearney and seconded by Commissioner Cooper, the Board unanimously accepted the December, 2015, financial statement as previously circulated.

V. Public Comment

- a. Chairman Bergeron announced that the meeting was open to the public and directed any member of the public present who would like to comment to see Mr. Matthew Gresham.

VI. Actions Required

A. Consider Approval of a Resolution Awarding a Contract to Neil Coggins Enterprises, LLC, dba Service Master of Greater New Orleans, for Demolition of and Repairs to Sheetrock and Siding Caused by Wind Damage at the Julia Street Cruise Terminal.

Ms. Dunn presented and recommended approval of a resolution awarding a contract to Neil Coggins Enterprises, LLC, at the not to exceed cost of \$30,500 for all labor, material and equipment for demolition of and repairs to damaged sheetrock and siding caused by wind at the Julia Street Cruise Terminal.

Commissioner Chouest advised the Board that the Planning and Engineering Committee had met and reviewed the resolution with staff, and he moved for its approval. Commissioner Cooper seconded the motion. **MOTION CARRIED UNANIMOUSLY.**

B. Consider Approval of a Resolution Awarding a Contract to Centric Gulf Coast, Inc., for the Mississippi River Intermodal E-RTG Crane Maintenance Facility.

Ms. Dunn presented and recommended approval of a resolution awarding a contract to Centric Gulf Coast, Inc., in the amount of \$896,451 for all labor, material and equipment for the construction of a new maintenance building, associated concrete paving, and utility service improvements, including electrical, water and sewer at the Mississippi River Intermodal Terminal.

Commissioner Chouest advised the Board that the Planning and Engineering Committee had met and reviewed the resolution with staff, and he moved for its approval. Commissioner Cooper seconded the motion. **MOTION CARRIED UNANIMOUSLY.**

C. Consider Approval of a Resolution Authorizing the President and Chief Executive Officer to Enter into an Amendment to the Professional Services Contract with Modjeski and Masters, Inc., for As-Needed Professional Services for Bridges at the St. Claude Avenue Bridge.

Ms. Dunn presented and recommended approval of a resolution authorizing the President and Chief Executive Officer to enter into a contract amendment with Modjeski and Masters, Inc., for an amount not to exceed \$43,000 to provide design and construction engineering and inspection services for various repairs to the St. Claude Avenue Bridge.

Commissioner Chouest advised the Board that the Planning and Engineering Committee had met and reviewed the resolution with staff, and he moved for its approval. Commissioner Bergeron seconded the motion. **MOTION CARRIED UNANIMOUSLY.**

D. Consider Approval of a Resolution Authorizing the President and Chief Executive Officer to Enter into an Amendment to the Contract with Hard Rock Construction, LLC, for the Mississippi River Intermodal Terminal Improvements.

Ms. Dunn presented and recommended approval of a resolution authorizing the President and Chief Executive Officer to enter into a contract amendment with Hard Rock Construction, LLC, in the amount of \$246,949 for reconciliation of contract line items and new contract line items.

Commissioner Chouest advised the Board that the Planning and Engineering Committee had met and reviewed the resolution with staff, and he moved for its approval. Commissioner Barkerding seconded the motion. **MOTION CARRIED UNANIMOUSLY.**

E. Consider Approval of a Resolution Authorizing the President and Chief Executive Officer to Enter into an Amendment to the Contract with Command Construction, LLC, for the Poland Avenue Wharf Access Roadway Improvements.

Ms. Dunn presented and recommended approval of a resolution authorizing the President and Chief Executive Officer to enter into a contract with Command Construction, LLC, not to exceed \$89,664.76 for reconciliation of a contract line item, new contract line items and contract time extensions at the Poland Avenue Cruise Terminal.

Commissioner Chouest advised the Board that the Planning and Engineering Committee had met and reviewed the resolution with staff, and he moved for its approval. Commissioner Cooper seconded the motion. **MOTION CARRIED UNANIMOUSLY.**

F. Consider Approval of a Resolution Authorizing the President and Chief Executive Officer to Enter into a Preliminary Engineering Agreement with CSX Transportation, Inc., to Assist with Design and Coordination of the Almonaster Avenue Bridge Replacement Project.

Ms. Dunn presented and recommended approval of a resolution authorizing the President and Chief Executive Officer to enter into a preliminary engineering agreement with CSX Transportation, Inc., not to exceed \$96,250 to assist with design and coordination of the Almonaster Avenue Bridge Replacement Project.

Commissioner Chouest advised the Board that the Planning and Engineering Committee had met and reviewed the resolution with staff, and he moved for its approval. Commissioner Barkerding seconded the motion. **MOTION CARRIED UNANIMOUSLY.**

G. Consider Approval of a Resolution Authorizing the President and Chief Executive Officer to Enter into a Professional Services Contract with Moffatt & Nichol, Inc., for Development of the Board's 2016 Master Plan.

Ms. Dunn presented and recommended approval of a resolution authorizing the President and Chief Executive Officer to enter into a professional services contract with Moffatt & Nichol, Inc., not to exceed \$250,000 to develop the Board's 2016 Master Plan.

Commissioner Chouest advised the Board that the Planning and Engineering Committee had met and reviewed the resolution with staff, and he moved for its approval. Commissioner Baker seconded the motion. **MOTION CARRIED UNANIMOUSLY.**

H. Consider Approval of a Resolution Authorizing the President and Chief Executive Officer to Enter into an Agreement with the U.S. Environmental Protection Agency for the Clean Truck Replacement Incentive Program (Clean TRIP).

Ms. Dunn presented and recommended approval of a resolution authorizing the President and Chief Executive Officer to enter into an agreement with the U.S. Environmental Protection Agency for an amount not to exceed \$727,000 for the Clean Truck Replacement Incentive Program (Clean TRIP).

Commissioner Chouest advised the Board that the Planning and Engineering Committee had met and reviewed the resolution with staff, and he moved for its approval. Commissioner Baker seconded the motion. **MOTION CARRIED UNANIMOUSLY.**

I. Consider Approval of a Resolution Awarding a Contract to Bell Lumber & Pole Company for the Purchase of 500 Eighty-Foot Untreated Timber Piles for Use in Maintenance of Board Fender Systems.

Mr. Zimmermann presented and recommended approval of a resolution authorizing the President and Chief Executive Officer to enter into a contract with Bell Lumber & Pole Company in the amount of \$315,000 for the purchase of 500 eighty-foot untreated timber piles.

Commissioner Barkerding advised the Board that the Property and Insurance Committee had met and reviewed the resolution with staff, and he moved for its approval. Commissioner Kearney seconded the motion. **MOTION CARRIED UNANIMOUSLY.**

J. Consider Approval of a Resolution Authorizing the President and Chief Executive Officer to Amend the Board's Lease with New Orleans Terminal LLC for a Third Time to Provide for Commencement of Operations at the Mississippi River Intermodal Terminal, including the Use of Electric Rubber-Tired Gantry Cranes.

Mr. Zimmermann presented and recommended approval of a resolution authorizing the President and Chief Executive Officer to amend the Board's lease with New Orleans Terminal LLC for a third time to provide for commencement of operations at the Mississippi River Intermodal Terminal, including the use of electric rubber-tired gantry cranes.

Commissioner Barkerding advised the Board that the Property and Insurance Committee had met and reviewed the resolution with staff, and he moved for its approval. Commissioner Cooper seconded the motion. **MOTION CARRIED UNANIMOUSLY.**

K. Consider Approval of a Resolution Authorizing the President and Chief Executive Officer to Enter into a Professional Services and Software Agreement with SHI, Inc., to Provide Process and Analytical Software Services for Automating Workflow and Enabling Advanced Data Analysis.

Mr. Penton presented and recommended approval of a resolution authorizing the President and Chief Executive Officer to enter into a professional services and software agreement with SHI, Inc., to provide process and analytical software services for automating workflow and enabling advanced data analysis.

Commissioner Kearney advised the Board that the Budget Committee had met and reviewed the resolution with staff, and he moved for its approval. Commissioner Chouest seconded the motion. **MOTION CARRIED UNANIMOUSLY.**

VII. Report by the President and Chief Executive Officer

Mr. LaGrange began his report by reading a letter from the Inter Port Police, announcing that Chief Robert Hecker has received the International Police 9/11 Medal. The letter said that, on behalf of the police and public safety community, the Inter Port Police hereby recognizes, honors and pays tribute to Chief Hecker's selfless and distinguished achievements.

Mr. LaGrange read a letter from Mr. Gary J. Mannina of the Grand Duchy of Luxembourg's Consulate in New Orleans. Mr. Mannina asked that the Port accept his and his wife's thanks and gratitude for honoring the Louisiana Consular Corps at the Port of New Orleans. They both sent their best wishes for Christmas and the holidays.

Mr. LaGrange recognized two recent retirees and awarded each a plaque: former Port engineer Lenny Spalluto with 48 years of service and former Port chief financial officer Jim Ruckert with 21 years of service. Both gave a brief speech and thanked everyone. Mr. LaGrange also recognized three other recent retirees who were not in attendance: Ms. Janis Varnado with 24 years of service, Mr. Joseph Fritz with 45 years of service, and Ms. Cynthia Swain with 21 years of service.

Chairman Bergeron announced that the Board approved two very significant items this morning. One was the Board's 2016 master plan and the other the Sales Force agreement to provide process and analytical software services for automating workflow and enabling advanced data analysis. Chairman Bergeron thanked and congratulated the staff and commissioners on passing these two items.

VIII. Old Business

None reported.

IX. New Business

None reported

X. Adjournment

There being no further business to come before the Board, the meeting was adjourned at 11:48 A.M.

NEXT MEETING:

11:00 A.M., Thursday, February 25, 2016