

**BOARD OF COMMISSIONERS**  
**PORT OF NEW ORLEANS**  
**MINUTES OF**  
**THE BUDGET COMMITTEE MEETING**  
**FEBRUARY 22, 2016**

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A MEETING OF THE BUDGET COMMITTEE OF THE BOARD OF COMMISSIONERS OF THE PORT OF NEW ORLEANS, HELD IN THE PRESENTATION ROOM ON THE 4<sup>TH</sup> 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 1:46 P.M. ON MONDAY, FEBRUARY 22, 2016.

**COMMITTEE MEMBERS**  
**PRESENT:**

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

**COMMITTEE MEMBERS**  
**ABSENT:**

Gregory R. Rusovich, Member  
Scott H. Cooper, Member

**STAFF:**

G. LaGrange, President and Chief Executive Officer  
B. Christian, Chief Operating Officer  
C. Bonura, Director, Business Development  
C. Dunn, Director, Port Development  
B. Gussoni, Executive Counsel  
R. Wendel, Chief Financial Officer  
W. Stokes, Administrative Assistant  
H. Fontenot, Paralegal

**GUESTS:**

J. Holt, Government Consultants  
L. Traweek, *City Business*

**A. Determination of Quorum and Call to Order**

Committee Chairman Kearney determined the existence of a quorum and called the meeting to order at 1:46 P.M.

**B. Public Comment**

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

**C. Briefing and Discussion Items**

**1. Review of January, 2016, Financial Statement**

Mr. Wendel briefed the committee on the January, 2016, financial statement. He distributed a report detailing the financial information, a copy of which is made part of these minutes. He stated that this is the first time that we are below last year's numbers in total revenue, \$34.5 million year to date compared to \$34.6 million last year with a budget of \$35.9 million. Mr. Wendel did reiterate that, even though the numbers for Fiscal Year 2016 might be somewhat below budget, it is still above the FY2014 actual year to date.

Mr. Wendel stated that on the revenue side, there is a good long trend of upward movement in revenues. He said that the good news about the month of January is that the cruise division did better than expected. Mr. Wendel stated that expenses for the month were below budget, offsetting a significant portion of the missing revenues which resulted in Operating Income Before Depreciation being just short for the month. He mentioned that all divisions across the board are continuing to be below budget on expenses and that year to date, we are still above budget on Operating Income Before Depreciation.

Ms. Christian commented how great it is that Operating Income Before Depreciation is almost double what it was year to date Fiscal 2014. Mr. LaGrange concurred.

**D. Adjournment**

There being no further business to come before the committee, Committee Chairman Kearney adjourned the meeting at 1:56 P.M.

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

**FEBRUARY 22, 2016**

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**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 4<sup>TH</sup> 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 1:57 P.M. ON MONDAY, FEBRUARY 22, 2016.**

**COMMITTEE MEMBERS**

**PRESENT:**

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

**COMMITTEE MEMBERS**

**ABSENT:**

Gregory R. Rusovich, Member  
Scott H. Cooper, Member

**STAFF:**

G. LaGrange, President and Chief Executive Officer  
B. Christian, Chief Operating Officer  
C. Bonura, Director, Business Development  
C. Dunn, Director, Port Development  
B. Gussoni, Executive Counsel  
R. Wendel, Chief Financial Officer  
W. Stokes, Administrative Assistant  
H. Fontenot, Paralegal

**GUESTS:**

L. Traweek, *City Business*

**A. Determination of Quorum and Call to Order**

Committee Chairman Chouest determined the existence of a quorum and called the meeting to order at 1:57 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 Authorizing the President and Chief Executive Officer to Purchase LED Roadway Lighting Fixtures and Brackets from W.W. Grainer, Inc., under State of Louisiana Contract No. 408832 for Use by the Facility Services Departments.**

Ms. Dunn briefed the committee on and recommended approval of a resolution to authorize the President and Chief Executive Officer to purchase forty-six LED roadway lighting fixtures and brackets under a State of Louisiana contract with W.W. Grainer, Inc., at a cost of \$35,044.6 for use on Port of New Orleans Place. The contract is funded by the Board's FY 2016 capital improvement plan. Ms. Dunn mentioned that the installation will be performed by in-house electricians in the Board's Facility Services Departments.

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 Enter into an Amendment to the Professional Services Contract with Schlafly Engineering, LLC, for the Napoleon Avenue Container Terminal Refrigerated Container Expansion 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 amendment to the professional services contract with Schlafly Engineering, LLC, in an amount not to exceed \$40,000 for the Napoleon Avenue Container Terminal Refrigerated Container Expansion Project. The contract is funded by the Board's FY 2016 capital improvement plan.

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

**3. Briefing on Funding Sources for the New Almonaster Avenue Bridge Project.**

Ms. Dunn gave a brief overview of the funding sources for the new Almonaster Avenue Bridge Project and gave details of its age, its current condition, and the need for the project. She stated that, at 97 years old, the bridge is working well beyond its useful life.

Ms. Dunn said that the bridge's current state involves an insufficient horizontal clearance of 92 feet, no vehicular access since 2005, and it must remain in a closed position during storms.

Commissioner Kearney asked that Ms. Dunn provide a bridge analysis consisting of maintenance and operations costs at Thursday's executive committee meeting.

Ms. Dunn discussed the National Rail Significance, the CSX Intermodal Rail Yard, the National Maritime Significance, the National Environmental Protection Act (NEPA) process, the final alternative, the cost estimate, funding sources, project benefits and status, and the timeline pending project funding. She stated that the complete final design is set for 2016 and construction for 2017 to 2019.

There was additional in-depth discussion among staff members and commissioners about the master plan and its connection with bridges, zoning ordinances, land usage, and utilities.

Ms. Dunn stated that the total project cost is \$73.6 million and that the Port of New Orleans' share of this cost is \$1,520,000. She stated that all the money from the rest of the sources is in place and that the project is now at 60% of final design.

Commissioner Barkerding asked if the bridge is in operating condition, its life span, and should any money be spent on it. Ms. Dunn replied that it is still in operation for an undetermined length of time and the only money that the Board is committed to is the cost of the engineering portion of the project. After that, if any additional money is required, it must go before the Board for discussion and or approval.

**D. Adjournment**

There being no further business to come before the committee, Committee Chairman Chouest adjourned the meeting at 2:32 P.M.

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

**FEBRUARY 22, 2016**

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**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 4<sup>TH</sup> 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 2:33 P.M. ON MONDAY, FEBRUARY 22, 2016.**

**COMMITTEE MEMBERS**

**PRESENT:**

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

**COMMITTEE MEMBERS**

**ABSENT:**

Gregory R. Rusovich, Member  
Scott H. Cooper, Member

**STAFF:**

G. LaGrange, President and Chief Executive Officer  
B. Christian, Chief Operating Officer  
C. Bonura, Director, Business Development  
C. Dunn, Director, Port Development  
B. Gussoni, Executive Counsel  
R. Wendel, Chief Financial Officer  
W. Stokes, Administrative Assistant  
H. Fontenot, Paralegal

B. Sickinger, Risk Manager  
L. Traweek, *City Business*  
B. Laborde, Marsh, Inc.

**GUESTS:**

**A. Determination of Quorum and Call to Order**

Committee Chairman Barkerding determined the existence of a quorum and called the meeting to order at 2:33 P.M.

**B. Public Comment**

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

**C. Briefing and Discussion Items**

**a. Briefing on and Discussion of a Resolution Authorizing the President and Chief Executive Officer to Enter into a Servitude Agreement with the Orleans Levee District for the Citrus Back Levee Along the Gulf Intracoastal Waterway and a Portion of the Inner Harbor Navigation Canal from Jourdan Road Terminal to the Almonaster Avenue Bridge.**

Mr. Bonura briefed the committee on a resolution authorizing the President and Chief Executive Officer to enter into a servitude agreement with the Orleans Levee District. He stated that the new proposed servitude from the Board to the Levee District covers a total of 34 acres. It will reduce the area encumbered by the Orleans Levee District's operations. The new servitude will make additional property available for the Board to lease.

Commissioner Kearney asked if staff had discussed leasing some of the newly available property to TCI. Mr. Bonura responded that he was in discussions concerning the leasing of property located near the France Road floodwall on the other side of the Industrial Canal to TCI as part of the rail development for a plastics packaging facility, but that proposal was not related to the servitude for the Citrus Back Levee.

Commissioner Barkerding said he would like to know the details of the new TCI deal when they are worked out. Mr. Bonura said that negotiations were ongoing, and he would bring a proposal back to the Board at a future meeting.

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

- b. **Briefing on and Discussion of a Resolution Authorizing the President and Chief Executive Officer to Renew the Board's Primary and Excess Property Insurance, Boiler and Machinery/Equipment Breakdown Insurance, NFIP Property Insurance, Primary and Excess General Liability Insurance, Hull and Machinery and P&I Insurance, Vessel Pollution Liability Insurance, Public Officials Liability Insurance, Law Enforcement Liability Insurance, Government Crime Insurance and Business Automobile Liability Insurance all through the Broker Marsh, Inc.**

Mr. Gussoni reviewed with the committee last month's briefing on the renewal of the Board's property and liability insurance policies. He introduced Mr. James Laborde, Managing Director of the local office of the Board's broker Marsh, Inc. Mr. Laborde provided details of the premium costs and coverages of the policies for the new policy year beginning April 1, 2016. Mr. Laborde distributed a handout detailing the April 1, 2016 to 2017 insurance renewal, a copy of which is made part of these minutes. He gave an in-depth update of the premium summary for 2016-2017 detailing areas where money would be saved. Mr. Laborde mentioned that there are premium increases for the liability coverages. These increases stem from the Board's recent liability claims history, and they were anticipated. He discussed the property program that included policy form, sub-limits, and deductibles. He pointed out a more than \$100,000 savings on the property insurance renewal because of the Board's claims history and the soft market. Mr. LaBorde also discussed the marine general liability and excess liability coverage by Lloyd's of London. For those, defense costs are included within the limit on primary and excess, though the Board's deductible will be reduced to \$20,000 from \$100,000.

Mr. Gussoni commented that staff requested Marsh to try to place Lexington, a major domestic insurer, back on the Board's property insurance account. He stated that Lexington had been the Board's property insurer for a 12-year period when Lloyd's of London was charging much higher premiums. Eventually, Lexington raised its rates, and the Board returned to Lloyd's of London three years ago. However, Mr. Gussoni stated that it is in the best interest of the Board to maintain good relationships everywhere in the event that Lloyd's of London increases its premiums again, but it is very beneficial to maintain a relationship with a major domestic insurance company like Lexington.



Mr. LaBorde stated that he would have additional details and information before everything is finalized by April 1<sup>st</sup> as Marsh was continuing to negotiate the premiums down and he anticipated additional savings, especially on the property insurance.

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

#### **D. Adjournment**

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

**BOARD OF  
COMMISSIONERS PORT OF  
NEW ORLEANS MINUTES OF  
THE EXECUTIVE COMMITTEE MEETING  
FEBRUARY 25, 2016**

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**A MEETING OF THE EXECUTIVE COMMITTEE OF THE BOARD OF COMMISSIONERS OF THE PORT OF NEW ORLEANS, HELD IN THE PRESENTATION ROOM ON THE 4<sup>TH</sup> 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 9:08 A.M. ON THURSDAY, FEBRUARY 25, 2016.**

**COMMITTEE MEMBERS**

**PRESENT:**

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

**COMMITTEE MEMBERS**

**ABSENT:**

Gregory R. Rusovich, Member  
Scott H. Cooper, Member

**STAFF:**

G. LaGrange, President and Chief Executive Officer  
B. Christian, Chief Operating Officer  
C. Dunn, Director, Port Development  
B. Gussoni, Executive Counsel  
B. Landry, Chief Commercial Officer

R. Wendel, Chief Financial Officer  
P. Zimmermann, Director, Operations  
J. Mansour, Deputy Chief Commercial Officer  
M. Gresham, Director, External Affairs  
K. Frankic, Manager, Real Estate Development  
P. Booker, incoming Manager, Dredge Operations  
C. Wycoff, outgoing Manager, Dredge Operations  
W. Stokes, Administrative Assistant  
H. Fontenot, Paralegal

**GUESTS:**

W. Evans, River Consultants

**1. Determination of Quorum and Call to Order.**

Committee Chairman Bergeron determined the existence of a quorum and called the meeting to order at 9:08 A.M.

**2. Public Comment.**

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

**3. Chairman's Comments.**

Commissioner Bergeron had no comments.

**4. President and Chief Executive Officer's Comments.**

Mr. LaGrange had no comments.

**5. Briefing and Discussion Items.**

**A. Briefing on and Discussion of a Resolution Authorizing the President and Chief Executive Officer to Enter into a Contract with Weeks Marine, Inc., for Dredging Services at the Napoleon/Nashville Avenue Terminals.**

Commissioner Baker arrived at the beginning of this presentation.

Mr. Zimmermann introduced Mr. Chris Wycoff, Dredge Manager, who will be retiring tomorrow after twenty-six years of service. Mr. Zimmermann also introduced Mr. Patrick Booker, the new Dredge Manager, and a licensed professional engineer, who will replace Mr. Wyckoff.

Mr. Zimmermann briefed the committee on and recommended approval of a resolution to authorize the President and Chief Executive Officer to enter into a contract with Weeks Marine, Inc., not to exceed \$260,000 for dredging services at

the Napoleon/Nashville Avenue Terminals. He stated that the dredging will include the approaches from the Mississippi River channel to the wharves as well as deepening the approaches to -40 feet and would take approximately nine days to complete.

Mr. LaGrange commented on the Mississippi River currently being high and that it is neither the first nor the last time that the Port will experience high river stages. He mentioned that, even though the dredging was not budgeted, it was expected.

There was additional in-depth discussion among staff members and commissioners on the budgeting of dredging services and purposes, costs and funding issues.

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

Chairman Bergeron made a motion, which was seconded by Commissioner Chouest, to add the following item to the agenda. Chairman Bergeron called on Mr. Zimmermann to explain the item and why it must be taken up today.

**Consider Approval of a Resolution Authorizing the President and Chief Executive Officer to Enter into an Amendment to the Board's Lease with Dixie Marine, Inc. and Dixie Machine Welding and Metal Works, Inc.**

Mr. Zimmermann explained the item to be added as a resolution to authorize the President and Chief Executive Officer to amend the Board's lease with Dixie Marine, Inc., to allow Dixie 180 days additional time to exercise its right to cancel its lease. He stated that the amendment would give the President and Chief Executive Officer the discretion to allow Dixie more time to decide if it wants to terminate its lease with the Board as a result of the allision of a ship with the Andry Street Wharf. Dixie would like to use this additional time to recover damages from responsible parties before it must decide whether to terminate or not. He said the reason this matter had to be taken up today is that Dixie made its request for this action yesterday and that the thirty-day period within which Dixie must give notice under the present lease if it wants to terminate expires today, and Dixie has requested this additional time rather than have to cancel the lease.

Chairman Bergeron called for public comment on the motion, but there was none. He then called for the vote on the motion to amend the agenda to add this item. The vote was unanimous, and the item was officially added to the agenda.

At the request of Chairman Bergeron, Mr. Zimmermann elaborated more on the history and current situation of the Andry Street Wharf and its tenant Dixie Marine, Inc. He distributed a handout detailing photographs of the damages of the wharf, copies of which photographs are made part of these minutes.

There was additional in-depth discussion among staff members and commissioners about the damages of the wharf and the lessee's responsibility for repairs.

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

At this point, Chairman Bergeron changed the order of the meeting to take up what was listed on the agenda as Item G ("Legislative Matters") to accommodate the schedule of Mr. C.J. Blache, who was calling in from Baton Rouge for this matter. The text of this discussion is set out below under Item G.

## **B. Briefing on Future Marketing Strategies.**

Mr. Landry stated that at last month's committee meeting, Commissioner Rusovich asked him and his staff to provide a presentation on marketing strategies. He distributed a handout detailing marketing initiatives, a copy of which is made part of these minutes. Mr. Landry began his briefing by discussing the cargo imbalance of container imports and exports and breakbulk imports and exports.

There were additional in-depth conversations among staff members and commissioners pertaining to empty containers and the role empties play in the shipping business.

Mr. Landry spoke about inbound cargo and mentioned incidentally that the Port of New Orleans was named the fastest growing port for imports in 2015, primarily because of bananas. Mr. Landry commented that for the past several years the commercial team has focused on increasing import containerized cargo to balance the export trade and attract more vessel services. He briefly touched on various initiatives: an all-water Asia service, enhancing cold chain and intermodal connectivity, securing Louisiana projects, and increasing trans-loading business.

Mr. Landry spoke about enhancing attractiveness to steel shippers, in particular Turkey, which was the number one country of origin for steel products imported via the Port of New Orleans in 2015. Ms. Mansour stated that staff has developed a strong relationship with the Turkish Steel Exporters Association, which represents all the major steel manufacturers in Turkey. She said that they would like to put together a district warehouse and distribution center for Turkish steel to be situated in

the Gulf region.

Mr. Landry spoke about Mexico and its short sea service and working with interested railroads and ocean carriers to create more ways to handle additional cargo to and from Mexico.

Commissioner Chouest spoke on strategic planning efforts on the port capitalizing on its momentum and growing new business featuring innovative technology and equipment.

**C. Fiscal Year 2017 Budget Process and Timeline.**

Mr. Wendel briefed the committee on the 2017 budget process and timeline. He handed out a calendar for the commissioners detailing the Fiscal 2017 budget and highlighted various meetings and hearings.

**D. Bridge Expenditures.**

Ms. Dunn presented a bridge expenditure report at the request of the commissioners from Monday's committee meeting. She distributed a handout detailing the FY 2011 to FY 2016 bridge expenses, a copy of which is made part of these minutes. Ms. Dunn gave a brief analysis of the capital and maintenance and operating costs of the bridges.

Commissioner Barkerding asked if serious efforts had been made to have the DOTD take over the operation and maintenance of these bridges. Mr. LaGrange replied not at the moment, but that we have tried unsuccessfully several times over the years. He said the Port can pick up the momentum from where it was before and that everything is in place to do that. Ms. Dunn stated that there is money set aside for statewide bridge maintenance, but the Port is excluded from it.

Commissioner Kearney stated that he thinks this is a political argument that has to be made and that there are fewer dollars for port allocation. He said the way to help is to eliminate the expense by putting the maintenance where it properly belongs. He stated that the only way that this issue will be resolved is to make it a political argument. Commissioner Kearney suggested that Miss Dunn and her staff put something together and let the commissioners review it in order to develop a plan.

**E. Jackson Avenue Ferry Landing.**

Mr. LaGrange briefed the committee on the Jackson Avenue ferry landing that has been sitting dormant for a number of years. He stated that the ferry landing was available through a sealed-bid auction four years ago with no bidders, but we recently learned that the new Governor wants to give it to the Port subject to

senate approval. We are waiting for that to happen in the regular session of the Legislature this coming year.

Commissioner Barkerding asked if the property included just the landing or the concrete building on the other side of Tchoupitoulas Street as well. Mr. LaGrange replied that might depend on neighborhood sentiments.

Ms. Christian commented that one of the things discussed was the roadway and parcel across the street from the landing. She stated that a lot of infrastructure was there and could be put to beneficial use if the parcel was cleared and cleaned up.

**F. Legislative Matters.**

Via telephone from Baton Rouge, Mr. C.J. Blache began his legislative update by discussing the present four cents sales tax that carries many exemptions on it. Mr. Blache said that the sales tax is referred to as “the dirty pennies”. He said that the four pennies currently in place produce around \$250,000,000 each per year. Mr. Blache said that what is under discussion is referred to as the “clean” fifth penny. He stated that this proposed “clean” penny would not be subject to any exemptions and would produce around \$900,000,000 per year.

Mr. Blache mentioned that the legislature would like to put that clean penny in place this fiscal year because of the shortfall of the budget. Mr. Blache stated that in addition to the clean penny, the Legislature is trying to address the larger shortfall for next fiscal year that is estimated to be \$1.2 billion.

Mr. Blache discussed various taxes such as sin taxes, cigarette and alcohol, which will be voted on shortly. He stated that the Legislature was looking at raising business taxes more, in particular the add-back tax. The add-back tax requires corporations to add back what would otherwise be deductible interests, expenses, and costs in connection with transactions that primarily interact with one another.

Mr. LaGrange commented on the Governor’s visit and his reemphasizing the importance of maritime and port industry. He asked Mr. Blache to assume there was a remedy to produce enough taxes to reach \$900,000,000, what does he see and hear when it comes to capital outlay and port priorities that pertain to port

capital improvement funding. Mr. Blache replied that there is an issue of a gasoline tax which would be critical to the transportation trust fund and the financing of capital projects particularly in the transportation area. He mentioned that he heard that now is the time to increase the tax amount because of the low cost of gasoline. Mr. LaGrange mentioned that the last time there was a gasoline tax increase was in 1989 and that it was a statewide referendum. He asked Mr.

Blache if that would affect anything. Mr. Blache replied that the Legislature does not have to put it to the vote of the people and the reason it was part of the statewide referendum was that it was part of the Transportation Infrastructure Model for Economic Development Program (TIMED) dedicated to the transportation trust fund.

Commissioner Barkerding asked Mr. Blache what were the proposed amounts of total state cuts. Mr. Blache replied that there are the Governor's and opposition's cuts and currently there are theoretical discussions on cuts to determine how much money can be raised.

He mentioned that there are at least thirty bills circulating that the Legislature can choose from, discuss, and vote on.

**G. Report on Cargo Activity.**

Mr. Landry stated that January containers were a lot better than he expected and turned out to be the best month since August. He said that breakbulk is still down 28%, but he expects to see increased shipments of aluminum.

Mr. Landry mentioned that there is going to be another new service and that Seaboard will soon announce the service to Central and South America.

**H. Report on Vessel Calls.**

Mr. LaGrange reported on vessel calls on the year. Year to date, there were 430 vessels versus 494 last year. Mr. Landry commented that the gap in numbers was caused by the high water on the river.

## **I. Upcoming Events**

1. February 24 – French American Chamber of Commerce Dinner - Palace Café
2. February 25 – Executive Committee and Board Meeting
3. March 21 – Committee Meetings
4. March 23 (Wednesday) – Executive Committee and Board Meeting
5. April 4 - Inaugural Sailing and Presentation of Carnival *Triumph*
6. April 4-6 – AAPA Semi Annual Spring Conference – Washington, DC
7. April 12 – Ribbon Cutting Ceremony – Intermodal Yard
8. April 12-14 – Critical Commodities Conference
9. April 25 – Committee Meetings
10. April 28 – Executive Committee and Board Meeting

### **6. Other Business.**

None reported.

### **7. Adjournment.**

There being no further business to come before the committee, Committee Chairman Bergeron adjourned the meeting at 10:58 A.M.

## **BOARD OF COMMISSIONERS PORT OF NEW ORLEANS MINUTES OF THE REGULAR MEETING OF FEBRUARY 25, 2016**

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**MEETING NO. 8, FISCAL YEAR 2016, A REGULAR MEETING OF THE BOARD OF COMMISSIONERS OF THE PORT OF NEW ORLEANS, HELD IN THE PRESENTATION ROOM ON THE 4<sup>TH</sup> FLOOR AT ITS OFFICES AT 1350 PORT OF NEW ORLEANS PLACE, NEW ORLEANS, LOUISIANA, WAS CALLED TO ORDER BY CHAIRMAN WILLIAM T. BERGERON AT 11:12 A.M. ON THURSDAY, FEBRUARY 25, 2016.**



**MEMBERS PRESENT:**

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

**MEMBERS ABSENT:**

Gregory R. Rusovich, Member  
Scott H. Cooper, 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  
R. Bylsma, Deputy Director, Port Development  
D. Guarino, Deputy Director, Port Development  
A. Fant, Executive Assistant, Capital Projects  
M. Gresham, Director, External Affairs  
S. Ordoyne, Special Assistant

**MEMBERS PRESENT:**

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

**MEMBERS ABSENT:**

Gregory R. Rusovich, Member  
Scott H. Cooper, 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

## **I. Approval of Minutes of January, 2016 Meetings**

On motion duly made by Commissioner Bergeron and seconded by Commissioner Baker, the Board unanimously approved the minutes of its public meetings of January, 2016, as previously circulated.

## **II. Acceptance of Financial Statement for January, 2016**

On motion duly made by Commissioner Kearney and seconded by Commissioner Baker, the Board unanimously accepted the January, 2016, financial statement as previously circulated.

## **III. Public Comment**

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.

## **IV. Actions Required**

### **A. Consider Approval of a Resolution Authorizing the President and Chief Executive Officer to Purchase LED Roadway Lighting Fixtures and Brackets from W.W. Grainger, Inc., under State of Louisiana Contract No. 408832.**

Ms. Dunn presented and recommended approval of a resolution authorizing the President and Chief Executive Officer to enter into a state contract with W.W. Grainger, Inc., in the amount of \$35,044.61 for the purchase of LED roadway lighting fixtures and brackets for use on Port of New Orleans Place.

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 Kearney seconded the motion. **MOTION CARRIED UNANIMOUSLY.**

### **B. Consider Approval of a Resolution Authorizing the President and Chief Executive Officer to Enter into an Amendment to the Professional Services Contract with Schlafly Engineering, LLC, for the Napoleon Avenue Container Terminal Refrigerated Container Expansion Project.**

Ms. Dunn presented and recommended approval of a resolution authorizing the President and Chief Executive Officer to enter into an amendment to the professional services contract with Schlafly Engineering, LLC, in an amount

not to exceed \$40,000 for the Napoleon Avenue Container Terminal Refrigerated Container Expansion 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.**

C. **Consider Approval of a Resolution Authorizing the President and Chief Executive Officer to Enter into a Servitude Agreement with the Orleans Levee District for the Citrus Back Levee Along the Gulf Intracoastal Waterway and a Portion of the Inner Harbor Navigation Canal from the Jourdan Road Terminal to the Almonaster Avenue Bridge.**

Mr. Bonura presented and recommended approval of a resolution authorizing the President and Chief Executive Officer to enter into a servitude agreement with the Orleans Levee District that will reduce the existing servitude reservation and allow the Board more land to lease to prospective tenants.

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.**

D. **Consider Approval of a Resolution Authorizing the President and Chief Executive Officer to Renew the Board's Primary and Excess Property Insurance, Boiler and Machinery/Equipment Breakdown Insurance, NFIP Property Insurance, Primary and Excess General Liability Insurance, Hull and Machinery and P&I Insurance, Vessel Pollution Liability Insurance, Public Official's Liability Insurance, Law Enforcement Liability Insurance, Government Crime Insurance and Business Automobile Liability Insurance all through the Broker Marsh, Inc.**

Mr. Gussoni presented and recommended approval of a resolution authorizing the President and Chief Executive Officer to renew beginning April 1, 2016, the Board's insurance coverages for primary and excess property insurance, boiler and machinery/equipment breakdown insurance, NFIP property insurance, primary and excess general liability insurance, hull and machinery and P&I insurance, vessel pollution liability insurance, public official's liability insurance, law enforcement liability insurance, government crime insurance and business automobile liability insurance all through the broker Marsh, Inc.

Chairman Bergeron commented on the success of Mr. Gussoni, Mr. Laborde, and their staff for their achievement of annual savings and reductions of policy premiums and thanked them for all of their work and efforts.

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 Chouest seconded the motion. **MOTION CARRIED UNANIMOUSLY.**

**E. Consider Approval of a Resolution Authorizing the President and Chief Executive Officer to Enter into a Contract with Weeks Marine, Inc., for Dredging Services at the Napoleon/Nashville Avenue Terminals.**

Mr. Zimmermann presented and recommended approval of a resolution authorizing the President and Chief Executive Officer to enter into a contract with Weeks Marine, Inc., not to exceed \$260,500 for dredging services needed at the Napoleon /Nashville Avenue Terminals.

Chairman Bergeron commented on the present high river stage and the need for dredging.

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

**F. A motion was made by Commissioner Kearney and seconded by Commissioner Barkerding to add the following item to the agenda.**

**Consider Approval of a Resolution Authorizing the President and Chief Executive Officer to Enter into an Amendment to the Board's Lease with Dixie Marine, Inc., and Dixie Machine Welding and Metal Works, Inc.**

Chairman Bergeron called on Mr. Zimmermann to explain the item and why it must be taken up today. Mr. Zimmermann said Dixie is the Board's tenant at the Andry St. Wharf, which suffered great damage from a ship allision thirty days ago today. The Board's lease with Dixie allows it thirty days to cancel the lease in a situation like this. Dixie wants to continue the lease, but needs to see what it can recover from parties responsible for the allision and cannot do that in thirty days so just yesterday Dixie requested it be allowed an additional 180 days in which to exercise its right to cancel the lease while it considers its legal rights against responsible parties. Today is the 30<sup>th</sup> day since the allision so the Board must approve this amendment and the staff must execute it by close of business today

to allow Dixie the extra time to pursue responsible parties and try to continue the lease.

Chairman Bergeron gave an additional elaboration on Mr. Zimmermann's briefing on the explanation of a possible termination of the lease.

Chairman Bergeron then called for public comment and there were none. He then called for a vote on the motion to amend the agenda to add this item, which was seconded before Mr. Zimmermann's explanation. **MOTION CARRIED UNANIMOUSLY.** The item was added to the agenda.

Mr. Zimmermann then presented and recommended approval of the resolution to authorize the President and Chief Executive Officer to enter into an amendment to the Board's lease with Dixie Marine, Inc. and Dixie Machine Welding and Metal Works, Inc., to allow Dixie additional time of 180 days to exercise Dixie's right to terminate the lease at the Andry Street Wharf as a result of the collision between a ship and the wharf so that Dixie may use this time to pursue responsible parties.

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

**V. Report by the President and Chief Executive Officer**

Mr. LaGrange began his report by saying that January was a good month and that he received good news from Mr. Landry that, even with the Mississippi River being high, January was better than expected.

Mr. LaGrange spoke about Vice President Biden's successful port visit. He also mentioned Commissioner Kearney serving as Rex, the king of Carnival during Mardi Gras.

Mr. LaGrange recognized and gave credit to all port staff who cooperated and were inconvenienced by the Vice President's visit. He expressed how much he appreciated their hard work and dedication to make it an outstanding event in a very short period. Mr. LaGrange mentioned that the White House staff and Secret Service expressed how impressed they were with the Port staff's professionalism and generosity.

Mr. LaGrange read an email that he received from Ms. Renee Dolese, Communications Manager, regarding the Port's protocol officer Ms. Nikki Polk at the National Order of Merit Award ceremony and French-American Chamber of

Commerce reception. She stated that Ms. Polk's representation at the event and the success of the Consular Corps reception that she coordinated in December were a testament to the value of her formal training as protocol officer and that the Port appreciates her service.

**VI. Old Business**

None reported.

**VII. New Business**

None reported

**VIII. 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., Wednesday, March 23, 2016