

Be it remembered that a regular meeting of the Port Commission of the City of Long Beach, Mississippi, was begun and held at the Long Beach Separate School District Administration Office, 19148 Commission Road, in said city at 5:30 p.m., it being the third Thursday in January, 2007, and the same being the time, date, and place fixed for holding said meeting.

There were present and in attendance on said Port Commission and at the meeting the following named persons: Commission President Phil Kies, Commissioners James Hancock, Robert Starek, Steve Nicosia, Chuck Ryan, and Charles Stringer, Port Attorney Bryan Vonder Bruegge, Harbormaster Calvin Poupart, and Deputy City Clerk Stacey Dahl.

Absent the meeting were Commissioners Vernon Ehlers, Charles Purchner, and Brett Clover. It was noted for the record that Commissioner Clover would be available via phone, if necessary.

There being a quorum present sufficient to transact the business of the Port Commission, the following proceedings were had and done.

The meeting was called to order and it was the consensus of the Commission to amend the agenda to include under New Business, Item #5. Set Work Session; Harbor Sub-Committee Presentation.

Commissioner Hancock made motion seconded by Commissioner Starek and unanimously carried to approve the Port Commission Special Meeting Minutes of December 13, 2006, as submitted.

Port Attorney Bryan Vonder Bruegge arrived at the meeting.

There came on for consideration a **Draft Proposal Option Agreement** submitted by JEL Investments, LLC. Said Draft ordered spread upon the minutes of this meeting in words and figures as follows:

STATE OF MISSISSIPPI
COUNTY OF HARRISON
FIRST JUDICIAL DISTRICT

OPTION AGREEMENT

FOR AND CONSIDERATION of the sum of Twenty Thousand Dollars (\$20,000) cash in hand paid, and other good and valuable consideration, including the mutual promises set forth herein, the receipt and sufficiency of all of which is hereby acknowledged, the **CITY OF LONG BEACH, MISSISSIPPI, and the LONG BEACH HARBOR COMMISSION** of the City of Long Beach, Mississippi, hereinafter referred to as Grantor, and **JEL INVESTMENTS, LLC**, a Mississippi limited liability company, hereinafter referred to as Grantee, do hereby agree as follows, to-wit:

1. Grant of Option During the term of the Option, Grantor does hereby grant and assign to Grantee the exclusive right to negotiate and to enter into a lease agreement with Grantor for all of the land, fastlands, tidelands, and water bottoms located in the Long Beach, Mississippi Harbor (hereinafter referred to as the "Premises"), which is more particularly described as follows, to-wit:

A parcel of land situated and located in Township 8 South, Range 12 West, City of Long Beach, First Judicial District, Harrison County, Mississippi, being more particularly described as follows, to-wit:

A parcel of land bounded on the North by the southern right of way of U.S. Highway 90; bounded on the East by a line extending the eastern right of way line of South Cleveland Avenue in a southeasterly direction along the eastern border of the Long Beach, Mississippi Harbor to the southern most point of land or breakwater of the Long Beach Harbor; bounded on the South by the southern most land or breakwater of the Long Beach, Mississippi Harbor; bounded on the West by a line extending the western right of way line of South Burke Avenue in a southeasterly direction along

the western border of the Long Beach, Mississippi Harbor to the southern most point of land or breakwater of the Long Beach Harbor.

2. Term of Option The term of this Option shall be for a period commencing on the date this Agreement is executed by the Grantor, and ending at 11:59 p.m. on January 31, 2008, unless otherwise extended pursuant to this Agreement.

3. Option to Renew and Extend

3.01 First Extension Grantee shall have the right to extend this Agreement and the Option set forth herein for an additional one-year period expiring at 11:59 p.m. on January 31, 2009, by written notice to Grantor and by the payment of the sum of Twenty Thousand Dollars (\$20,000) to Grantor on or before January 31, 2008.

3.02 Second Extension Grantee shall have the right to further extend this Agreement and the Option set forth herein for an additional second one-year period expiring at 11:59 p.m. on January 31, 2010, by written notice to Grantor and by the payment of the sum of Twenty Thousand Dollars (\$20,000) to Grantor on or before January 31, 2009.

4. Notice Any notice, demand or request required or permitted to be given by either the Company or the Purchase pursuant to the terms of this Agreement shall be in writing and shall be deemed given (i) when delivered personally, (ii) five days after it is deposited in the U.S. mail, First Class with postage prepaid, or (iii) one day after deposit (prepaid) with a nationally recognized overnight courier, and addressed to the parties at the addresses of the parties set forth in this Agreement or such other address as a party may request by notifying the other in writing. Unless otherwise notified in writing, all notices required under this Agreement shall be given as follows:

As to Grantor:
Long Beach Harbor Commission

Long Beach, Mississippi 39560

As to Grantee
James E. Levens, III
Managing Member
JEL Investments, LLC
5104 "A" Avenue
P. O. Box 779
Long Beach, Mississippi 39560
Telephone: (228) 863-0303
Fax:

With a copy to:
Frederick T. Hoff, Jr.
Attorney at Law
P. O. Box 910
Gulfport, Mississippi 39501
Office: (228) 863-8827
Fax: (228) 858-6007

5. Termination. This agreement may be terminated at any time prior to Closing by the mutual consent of Grantor and Grantee.

6. Amendment. This agreement may be altered, amended, or modified at any time by written agreement signed by Grantor and Grantee.

7. Fees and Expenses. Each party shall pay the fees of their respective attorneys and other professionals.

8. Binding Effect. This agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, executors, administrators, personal representatives, successors and assigns.

9. Assignment. This Agreement may be freely assigned by Grantee at any time.

10 Governing Law. This agreement and the rights, duties and remedies of the parties shall be governed by the laws of the State of Mississippi

11 Entire Agreement. This agreement sets forth the entire understanding of the parties, and may not be changed except by a written document as provided for herein.

12 Separability. If any provision of this agreement is held invalid, such invalidity shall not affect the validity or enforcement of the remaining provisions herein.

13. Multiple Counterparts. This agreement may be executed simultaneously in any number of counterparts, each of which so executed shall be deemed to be an original and such counterparts shall together constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have set and subscribed their signatures to multiple counterparts of this agreement on this the _____ day of January, 2007.

LONG BEACH HARBOR COMMISSION

By: _____
Phil Kiss, President

Attest:

Secretary

JEL INVESTMENTS, LLC

By: _____
James E. Levens, III, Managing Member

STATE OF MISSISSIPPI
COUNTY OF HARRISON

This day personally came and appeared before me, the undersigned authority in and for the aforesaid state and county, the within named Phil Kies and _____, who acknowledged that they are the president and secretary, respectively, of the Long Beach Harbor Commission, and that in their official capacity as president and secretary of the aforesaid commission, and as the act and deed of said commission, they executed and delivered the above and foregoing instrument, being an option agreement, after first being duly authorized so to do

Given under my hand and official seal of office, this the _____ day of January, 2007.

Notary Public

My Commission Expires:

STATE OF MISSISSIPPI
COUNTY OF HARRISON

This day personally came and appeared before me, the undersigned authority in and for the aforesaid state and county, the within named James E. Levens, III, who acknowledged that he is the Managing Member of JEL Investments, LLC, a Mississippi limited liability company, and that in his official capacity as managing member of said company, and as the act and deed of said company, he executed and delivered the above and foregoing instrument, being an option agreement, after first being duly authorized so to do.

Given under my hand and official seal of office, this the _____ day of January, 2007.

Notary Public

My Commission Expires:

The commission recognized Mr. James E. Levens, III, Attorney Frederick T. Hoff, Jr., and Consultant Susan Walker and discussion was held regarding the aforesaid Draft. Upon continued discussion, Commissioner Nicosia made motion seconded by Commissioner Hancock and unanimously carried to go into Closed Session to preliminarily determine whether or not to enter into Executive Session.

The meeting resumed in Open Session; whereupon Commissioner Hancock made motion seconded by Commissioner Nicosia to enter into Executive Session to discuss with and seek the legal advice and counsel of the Port Attorney regarding the prospective leasing of harbor property. The question being put to a roll call vote, the result was as follows:

	Commissioner Hancock	voted	Aye	
voting	Commissioner Ehlers	voted		Absent, not
	Commissioner Ryan	voted	Aye	
	Commissioner Starek	voted	Aye	
	Commissioner Kies	voted	Aye	
	Commissioner Nicosia	voted	Aye	
voting	Commissioner Purchner	voted		Absent, not
voting	Commissioner Clover	voted		Absent, not
	Commissioner Stringer	voted	Aye	

The question having received the affirmative vote of all commissioners present and voting, the President declared the motion carried.

The meeting resumed in Open Session and based on discussion held in Executive Session, it was determined that additional information would be required and this meeting would be recessed to a later date. Recessed meeting to be scheduled later in the course of this meeting.

There came on for discussion the legal description of the property leased by Lookout Catering, LLC, Mr. Rob Stinson, owner. After considerable discussion, it was determined that clarification would be needed regarding the legal description of Mr. Stinson's lease. It was the consensus of the commission to direct the Port Attorney to research the correct description of the property leased by and between the Long Beach Port Commission and Lookout Catering, LLC.

Commission President Phil Kies informed the commission that the Mississippi Coastal Impact Assistance Program (CIAP) proposal, which was submitted to the Mississippi Department of Marine Resources

(DMR), has been selected under the State Section at a funding level of \$2,000,000 (two million dollars).

There came on for consideration the Clean Marina Program which was discussed in depth at a previous meeting. It was determined that the first step in participation in the program would be to sign the Clean Marina Pledge. Said pledge ordered spread upon the minutes of this meeting in words and figures as follows:



Alabama-Mississippi Clean Marina Pledge

The Alabama-Mississippi Clean Marina Program promotes and celebrates the voluntary adoption of measures to reduce pollution from marinas and recreational boats. Designated "clean marinas" are recognized as environmentally responsible businesses.

As the first step toward achieving Clean Marina status,

Long Beach Harbor
(name of marina)

pledges its commitment to controlling pollution and erosion at its facility and to promote water-protective behavior with the boating public.

By pledging this support, the staff and management of the marina will focus on improving water quality associated with:

- Vessel cleaning and repair
- Fuel storage and transfer
- Sewage disposal
- Solid, liquid and hazardous wastes
- Stormwater runoff
- Marina management

We are dedicated to the issues identified in the Alabama-Mississippi Clean Marina Guidebook. Within one year of the date below, we will implement appropriate pollution prevention practices, and will apply to the Alabama-Mississippi Clean Marina Program for recognition as a designated Clean Marina.

Name of Marina Owner Commissioner Phil Kries Date

Name of Marina Manager Commissioner James Hancock Date

Commissioner Robert Starck

Commissioner Steve Nicosia

Commissioner Chuck Ryan

Commissioner Charles Pruchaer

Commissioner Brett Clover

Commissioner Vernon Giles

Commissioner Charles Stringer

After considerable discussion, Commissioner Starek made motion seconded by Commissioner Nicosia and unanimously carried to sign the aforesaid Clean Marina Pledge to seek designation of the Long Beach Harbor as a Clean Marina.

Commissioner Hancock made motion seconded by Commissioner Stringer and unanimously carried to approve the bills as submitted on Docket of Claims #011807; with the exception of expenditure to Mississippi Power Company in the amount of \$12,559.31, pending explanation.

There came on for consideration the scheduling of a work session to allow the Port Sub-Committee to make a presentation. It was determined that a work session date would be determined at the recessed meeting, date to be determined later in the course of this meeting.

The commission recognized Mr. Calvin Poupart for the Harbormaster's report. Mr. Poupart reported on the progress of Phase I Harbor Repairs.

The commission recognized Mr. Bryan VonderBruegge for the Port Attorney's report; whereupon there was no action required or taken.

There being no further business to come before the Port Commission at this time, Commissioner Hancock made motion seconded by Commissioner Ryan and unanimously carried to recess this meeting until Wednesday, January 24, 2007, at 5:30 p.m., in the IT FEMA trailer, located next to Central Fire Station, 645 Klondyke Road.

APPROVED:

PHIL KIES, PRESIDENT

ATTEST:

STACEY DAHL, DEPUTY CITY CLERK