WEST CAMERON
PORT COMMISSION
110 Smith Circle
P. O. Box 1271
Cameron, LA 70631

Clifton Cabell, President
Jimmy Brown, Vice- President
Wendell Wilkerson, Secretary
Dwight Savoie, Treasurer

Board Members
Ricky Poole
Howard Romero
Ernest Carol Trahan
Timothy Dupont
Ruben Doxey

PROCEEDINGS

WEST CAMERON PORT HARBOR & TERMINAL DISTRICT

January 21, 2014

The West Cameron Port Harbor & Terminal District met in regular session on Tuesday, January 21, 2014 at the Hackberry Community Center, Hackberry, Louisiana at 6:00 o'clock PM.

Present: Ernest Carol Trahan, Cliff Cabell, Wendell Wilkerson, Howard Romero, Tim Dupont, Dwight Savoie, Jimmy Brown

Absent: Ruben Doxey, Ricky Poole

Guest: Ellray Henry, Cyndi Sellers

Parish Agencies: Tunie Dunaway, Cameron Parish Police Jury
Stephen Broussard, West Cameron Port Director

The meeting was called to order by Chairman Cliff Cabell.

Howard Romero led the Pledge of Allegiance and Jimmy Brown gave the invocation.

On the motion of Mr. Savoie, seconded by Mr. Romero and carried the board approved the November 13, 2013 regular meeting minutes.

On the motion of Mr. Dupont, seconded by Mr. Romero and carried the board approved the Treasurer's Report.

On the motion of Mr. Brown, seconded by Mr. Trahan and carried the board agreed to add Election of Officers under New Business to the agenda.

On the motion of Mr. Savoie, seconded by Mr. Trahan and carried the board approved the following bills for payment: Stephen Broussard dba Broussard Financial & Consulting -$6666.67-Contract Labor-January, 2014, Cameron Telephone- $212.03-January, 2014, phone bill, Cornellia B. Dunaway-$200.00-Travel Expense-January, 2014, Haynie & Associates-$2500.00-Professional fees-January, 2014, Cameron Answers, Inc. -$24,750.00 –Marketing & Economic Development, December, 2013-Ports Association of Louisiana-$1000.00-Membership dues-January, 2014-French American Chamber of Commerce Gulf Coast Chapter-$200.00-Membership Dues, January, 2014. Lonnie Harper & Associate-$11,500.00-Professional fees, January, 2014, Wex Bank-$475.93-Fuel card, January 2014, AT & T Mobility-$77.97-Cellphone, January, 2014.

The port board reviewed the following correspondences: (1) a copy of the Federal Trade Zone Application. (2) a letter from the Ports Association of Louisiana regarding the annual conference scheduled for February 17-19, 2014 at the Omni Royal Orleans in New Orleans, LA. (3) Final draft for the Port Bill for merger of West and East Cameron Ports ; (4) two letters of engagement for the compilation of the financial statements for West Cameron Port from Gragson, Casidy & Guillory for the year ending December 31, 2013; (5) a letter regarding a revised schedule for environmental review of the Cameron Liquefaction Project from the United States of America Federal Energy Regulatory Commission; (6) a letter from the Louisiana Legislative Auditor reminding entities that the fiscal year end is December 31, 2013 and reports are due June 30, 2014; (7) Email updating the board on Omega Protein; (8) Resource Quarterly.

Mr. Stephen Broussard, Port Director gave a general report on ongoing work with Winrock International on the Clear Project and Housing Grants (coordinated the LNG Contractor Workshop, January 13, 2014. Participated In the Harbor Safety Committee meeting, ongoing work with FTZ application, CDBG Grant, Cameron Fisheries, drafted document for services rendered by the Port to landowners, answered 4 RFPs for sites on Port property, attended Ports Association of Louisiana monthly meeting, gave briefing to Police Jury on port activities at their meeting, worked with Police Jury and legislators on port mergers (draft is completed), worked with Police Jury staff on Capital Outlay for Davis Road Project (received quotes for Economic Impact Study), worked with Comit Development on website. Discussion followed on Cameron Fisheries, small industrial park, Cameron Retail Sales,

The board appointed Mr. Tim Dupont to the Cameron Fisheries Committee to replace Mr. Terry Hebert.

Mr. Savoie reported to the board that Sea Drill has 2 rigs and they are in need of a location to work on these rigs in the Cameron area. Discussion followed.

Under Old Business: the board discussed the Master Lease Agreement and the document Mr. Broussard drafted for services the board could render to the land owners.

Under New Business the board discussed the Economic Impact Study for Davis Road, the Engagement Letters for the compilation of the Financial Statement for West Cameron Port, and election of officers.

On the motion of Mr. Wilkerson, seconded by Mr. Romero and carried to board agreed to fund the $20,000.00 dollars for the Economic Impact Study for Davis Road.

On the motion of Mr. Romero, seconded by Mr. Wilkerson and carried the board gave the President authority to sign the Engagement Letters for the compilation of the Financial Statement for 2013 for the West Cameron Port Commission. "Exhibit A"

The floor was open for nomination of President: On the motion of Mr. Romero, seconded by Mr. Wilkerson and carried the board agreed to re-elect Mr. Cliff Cabell as President. On the motion of Mr. Wilkerson seconded by Mr. Trahan and carried the nominations were closed.

The floor was open for nomination of Vice President: On the motion of Mr. Romero seconded by Mr. Trahan and carried the board agreed to re-elect Mr. Jimmy Brown as Vice President. On the motion of Mr. Wilkerson seconded by Mr. Dupont and carried the nominations were closed.

The floor was open for nomination of Secretary: On the motion of Mr. Romero seconded by Mr. Dupont and carried the board agreed to re-elect Mr. Wendell Wilkerson as Secretary. On the motion of Mr. Trahan seconded by Mr. Dupont and carried the nominations were closed.

The floor was open for nomination of Treasurer: On the motion of Mr. Romero seconded by Mr. Wilkerson and carried the board agreed to re-elect Mr. Dwight Savoie as Treasurer. On the motion of Mr. Dupont seconded by Mr. Trahan and carried the nominations were closed.

The next regular meeting will be scheduled for February 25, 2013, 6:00 P.M. at the Holly Beach Fire Station, Holly Beach, Louisiana.

There being no further business and upon motion of Mr. Wilkerson, seconded by Mr. Romero and carried, the meeting was declared adjourned.

APPROVED:

Cliff Cabell

Cliff Cabell, Chairman
WEST CAMERON PORT HARBOR & TERMINAL DIST.

ATTEST:

Wendell Wilkerson

Wendell Wilkerson, Secretary

"EXHIBIT A"

GRAGSON, CASIDAY & GUILLORY, L.L.P.
CERTIFIED PUBLIC ACCOUNTANTS

W. GEORGE GRAGSON, C.P.A.
RICHARD W. CASIDAY, C.P.A.
RAYMOND GUILLORY, JR., C.P.A.
GRAHAM A. PORTUS, E.A.
COY T. VINCENT, C.P.A.
MICHELLE LEE, C.P.A.
BRADLEY J. CASIDAY, C.P.A., C.V.A.

JULIA W. PORTUS, C.P.A.
KATHRYN BLESSINGTON, C.P.A.
JACKLYN BRANEFF, C.P.A.

December 30, 2013

Board of Commissioners and Management
West Cameron Port, Harbor and Terminal District
P.O. Box 352
Welsh, LA 70591

As certified public accountants licensed to practice in Louisiana, we are proud that you have engaged our firm to compile your financial statements as of December 31, 2013, and for the year then ended. This letter will confirm our understanding of the terms and objectives of our engagement and nature and limitation of the services we will provide to the District as of and for the year ended December 31, 2013.

Compilation. We will compile, from information you provide, the basic financial statements for the District as of and for the year ended December 31, 2013, as required by Louisiana Revised Statute 24:513, and we will issue an independent accountants' report thereon in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The supplementary information accompanying the compiled financial statement is presented for purposes of additional analysis and is not a required part of the basic financial statements. The supplementary information will be compiled from information that is representation of management. We will not audit or review the supplementary information, and accordingly we will not express an opinion or provide any assurance on such data.

A compilation is limited to presenting, in the form of financial statements, information that is the representation of management. We will not audit or review the compiled financial statements and, accordingly, will not express an opinion or any other form of assurance on them.

If management elects to omit substantially all disclosures from the financial statements, we will include in our compilation report an additional paragraph that will read as follows:

> Management has elected to omit substantially all of the disclosures required by generally accepted accounting principles. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the District's financial position, results of operations, and cash flows. Accordingly, these financial statements are not designed for those who are not informed about such matters.

If we are not independent, we will include the following as the last paragraph of our report:

We are not independent with respect to West Cameron Port, Harbor and Terminal District.

Our report will be used by you and the Legislative Auditor but, in accordance with state law, the report will become a public record.

Objectives & Limitations. The objective of our engagement is to compile the District's financial statements. We will utilize information that is your representation without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements in order for the statements to be in conformity with accounting principles generally accepted in the United States of America.

145 EAST STREET P.O. DRAWER 1847
LAKE CHARLES, LOUISIANA 70602-1847
TEL. (337) 439-1986 FAX (337) 439-1366

You are responsible for:

a) the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America.

b) designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

c) preventing and detecting fraud.

d) identifying and ensuring that the District complies with all laws and regulations.

e) making all financial records and related information available to us.

You are responsible for making all management decisions and performing all management functions and for designating an individual who possesses suitable skill, knowledge, or experience to oversee any bookkeeping services, tax services, or other services we provide. In addition, you are responsible for evaluating the adequacy and results of the services performed and accepting responsibility for such services.

We will conduct our compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation differs significantly from a review or an audit of financial statements. A compilation does not contemplate performing inquiry, analytical procedures, or other procedures performed in a review. Additionally, a compilation does not contemplate obtaining an understanding of the company's internal control; assessing fraud risk; testing accounting records by obtaining sufficient appropriate audit evidence through inspection, observation, confirmation, or the examination of source documents (for example, cancelled checks or bank images); or other procedures ordinarily performed in an audit. Accordingly, we will not express an opinion or provide any assurance regarding the financial statements being compiled.

Our engagement cannot be relied upon to disclose errors, fraud, or illegal acts. However, we will inform the appropriate level of management of any material errors, and of any evidence or information that comes to our attention during the performance of our compilation procedures, that fraud may have occurred. In addition, we will inform you of any evidence or information that comes to our attention during the performance or our compilation procedures regarding illegal acts that may have occurred, unless they are clearly inconsequential. Should we become aware of fraud or misappropriation of funds we shall immediately notify, in writing, the Legislative Auditor and the appropriate law enforcement agency, including the local district attorney and sheriff. We have no responsibility to identify and communicate deficiencies or material weaknesses in your internal control as part of the engagement.

If, for any reason, we are unable to complete the compilation of your financial statements, we will not issue a report on such statements as a result of this engagement.

We will assist your bookkeeper in adjusting the books of accounts so that he (she) will be able to prepare a working trial balance from which financial statements can be compiled. Your bookkeeper will provide us with a detailed trial balance and any supporting schedules we require.

Due Professional Care. A compilation may not meet the needs of all report users, who may require additional information and assurances on the financial statements, internal control structure and compliance with laws and regulations. In accordance with Government Auditing Standards, you should

consider whether additional testing of financial statement amounts and presentations, controls, and compliance are necessary to supplement the coverage of these areas and to meet the reasonable needs of report users. These additional needs are quite often met by:

- an audit of the financial statements conducted in accordance with Government Auditing Standards,
- supplemental (or agreed-upon) procedures, or
- an examination of compliance or internal control resulting in an opinion.

If during the performance of our engagement we become aware that a compilation will not satisfy the requirements of all audit report users, laws, and regulations, we will notify you as soon as this comes to our attention. We will then submit another engagement letter for your approval that complies with the applicable requirements and submit the signed engagement letter to the Legislative Auditor with explanation. We will consider all standards that may apply, but in particular, we will be cognizant of:

- State of Louisiana's audit law.
- Audit requirements of *Government Auditing Standards*.
- Office Management and Budget Circular A-133 audit requirements for a single audit or program-specific audit when Federal award expenditures exceed $500,000 for the fiscal year.
- Bond requirements, either to issue bonds or as a bond indenture provision.
- Other contractual requirements.

We are available to discuss the expanded needs of report users, the nature of this expanded audit examinations, and the degree to which these type examinations, or other examinations, will meet the needs of the District and its report users.

Changes. The Legislative Auditor will be notified immediately, in writing if our engagement is cancelled or if there are any significant disagreements. The Legislative Auditor will be notified in writing if there are any changes in this agreement or if there are any restrictions placed on our staff during the engagement that would impact the scope of the engagement or the nature of the tests required under the previously discussed standards.

Recommendations. During the course of our engagement, it is possible that we may observe opportunities for economies of operation, for improved internal administrative and accounting controls, or we may observe variances with applicable laws and regulations or other matters that should be brought to your attention. Our comments and recommendations concerning such matters, if any, will be conveyed to you in written form.

Reporting Package. The reporting package will consist of:

- the accountants' compilation report required by *Standards for Accounting and Review Services,*
- a data collection form, to be prepared by management
- a schedule of per diem paid to board members, if applicable.
- management's corrective action plan for any findings contained in the report, which management will complete.
- a summary schedule of prior year findings.

We will assist you in the preparation of data collection form, management's corrective action plan, if applicable, and the summary schedule of prior year findings, if applicable.

Prior Comments and Recommendations. Our engagement will include a review of any prior-year

suggestions, recommendations, and/or comments included in the summary schedule of prior findings. As to any current-year recommendations, suggestions, and/or comments, we will afford you the opportunity to respond to such matters and include your response(s) in management's corrective action plan.

Compensation. Our fees for all services are related to our standard hourly rates in effect at the time services are performed. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your engagement. Our fee for this engagement will range from$1,500 to $2,500, inclusive of all costs and expenses. This fee is based on the assumption that you will provide assistance, anticipated cooperation from your personnel, and the assumption that unexpected circumstances will not be encountered during the engagement. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket expenditures through the date of termination. Any amendments to the not-be-exceed amount of the fee will be in writing and signed by both our firm and the West Cameron Port, Harbor and Terminal District.

You may request that we perform additional services not contemplated by this engagement letter. If this occurs, w will communicate with you regarding the scope of the additional services and the estimated fee. We also may issue a separate engagement letter covering the additional services. In the absence of any other written communication from us documenting such additional services, our services will continue to be governed by the term of this engagement letter.

If any dispute arises among the parties hereto, the parties agree first to try in good faith to settle the dispute by mediation administered by the American Arbitration Association under its Commercial Mediation Rules before resorting to litigation. All parties shall share the costs of any mediation proceedings equally.

Engagement Completion. It is our understanding that the accounting records will be available by January 31, 2014. We anticipate that the report will be issued no later than June 30, 2014.

At the completion of our engagement, we will send the District eight copies of our reports. We will send one unbound copy of our reports to the Legislative Auditor. The District shall send a copy of the report, and management letter, and management's corrective action plan, if applicable, to each member of the governing board, each federal grantor agency providing direct federal assistance and the federal cognizant agency, and to each state grantor agency and any state cognizant agency, if applicable. If we find events subsequent to the issuance of our report(s) that would cause us to reissue the reports, we shall reissue the report(s) in the same fashion and to the same individuals and organization as the original reports.

Engagement Documentation. It is understood that our engagement documentation is confidential information. However, we will make our engagement documentation available to the Legislative Auditor, any successor auditor, any federal or state grantor agencies, the cognizant agency, or any organization of the Louisiana Board of Certified Public Accountants authorized to perform quality assurance reviews. We will follow the Legislative Auditor's policy regarding confidentiality of audit/engagement documentation found at Section 350.02 of the Louisiana Governmental Audit Guide when giving access to engagement documentation to any parties other that those previously named individuals and organizations. Should we become aware of any illegal acts, we shall make our engagement documentation available to the local district attorney or any other state or federal enforcement or regulatory agency without liability. We will retain the engagement documentation for five years.

Personnel. We have assigned Mr. Coy T. Vincent of our staff (P.O. Drawer 1847, Lake Charles, LA 70602, phone number (337) 439-1986) as the manager for the engagement, and he shall exercise overall control and management of our engagement. It is our understanding that you have assigned Ms. Tunie Dunaway (337-775-5718) of your District as your representative during the engagement.

External Quality Review. Enclosed is our most recent external quality review, dated November 6, 2012.

Approval. In accordance with the provisions of state law, this engagement agreement must be approved by the Legislative Auditor prior to commencement of our work. Upon your signature and approval, we will seek approval of the Legislative Auditor of this engagement.

If these comments and arrangements meet your approval, please sign below and return the agreement to us. We look forward to a pleasant association and the opportunity to provide the services included in this engagement.

Respectfully,

GRAGSON, CASIDAY & GUILLORY

Coy T. Vincent, CPA

ENGAGEMENT APPROVED:

By Cliff Cockrell

Title Chairman