

West Calcasieu Port Board Meeting Minutes

November 5, 2013

I. Call to order

President Dick Kennison called to order the regular meeting of the West Calcasieu Port at approximately 3:00 p.m. on November 5, 2013, at the offices West Calcasieu Port, 311 Gross Road, Sulphur, Louisiana.

II. Invocation

Scott Foreman led the invocation.

III. Pledge of Allegiance

Pledge led by Chuck Stutes and recited by all board members and guests.

IV. Roll call

Secretary Tim Dougherty conducted a roll call. The following persons were present:

- ✓ Tim Dougherty
- ✓ Wilmer Dugas
- ✓ Dick Kennison
- ✓ Scott Foreman
- ✓ Dave Aguillard

(Others also present at the meeting were: Lynn Hohensee, Chuck Stutes, Glen James, Brooke David representing Senator David Vitter's office and Sheila Burton)

V. Approval of minutes of the October 1, 2013 regular monthly meeting

President Dick Kennison entertains a motion to approve the minutes as printed and presented to the Board. Wilmer Dugas makes a motion to approve the October 1, 2013 regular monthly meeting minutes, 2nd by Dave Aguillard. No opposition. Motion carries.

VI. Amendments, additions and deletions to the proposed agenda

There were no amendments, additions nor deletions to the proposed agenda.

VII. Discuss and Adopt Resolution LA DOTD format: Acceptance of West Barge Basin Expansion Project

Chuck Stutes passed out copies of the Resolution for the Board's review. Chuck explained how this Acceptance Resolution is required by DOTD in DOTD format to close out the project. Chuck reminded the Board that last month the substantial completion was done. He said he will need 3 signed copies of the Resolution before he leaves the meeting and that the Resolution basically states that West Cal Port is contracted with Apollo Environmental and the project has been successfully completed and has been accepted by the West Cal Port effective November 5, 2013.

Dave Aguillard points out that under the "Certificate" portion of the Resolution it has a date of 2000. Chuck thanked him for bringing the typo to his attention and said it will be corrected. Chuck said he will get the corrected copies signed. In the meantime, Wilmer Dugas makes a motion to accept the Resolution for the West Barge Basin Project, 2nd by Dave Aguillard. No opposition. Motion carries.

VIII. Committee Reports

There were no Committee Reports at this time.

IX. Port Director Report

[NOTE: The following report is a copy of the original sent out by Lynn Hohensee.]

Marketing/Business Development –

- Discussions continue with Greenfield Logistical Solutions of La. re: possible leasing of property at the West Calcasieu Port.
- The port continues to actively market the Devall Diesel Building to local prospects.
- Work continues on a revised reprint of the West Calcasieu Port brochure. New aerial and land photos will be inserted. Cost of the reprinting will be covered by the SWLA EDA.
- A corporate real estate executive contracted by Orion Marine Group has indicated progress on the company's part to develop discussion points in advance of discussions to renew or extend the existing leasing agreement with OMG.
- Attended International Workboat Tradeshow; made several "work-in-progress" contacts with potential port users.
- Attended an O'Rourke Marine Services reception; visited with several corporate officers re: setting up a location at the West Cal Port.
- Query was received from Strategic Petroleum Reserve contactor to use the port and a port tenant in the refurbishing of pre-used pipe that is being relocated from a SPR site in Texas to the SPR site near Hackberry.

[NOTE: Lynn reported that there was a successful Coast Guard exercise held last week at the port to test the port's MRSC abilities. Following up with that exercise, there was a diesel fuel spill this morning on one of the Devall vessels. Lynn said approximately 25 gallons were spilled. There was a quick response from USES. The Coast Guard has been monitoring the situation and has given Devall the green light, saying they have cleaned the area appropriately and that there is no long-term environmental impact.]

Port Operations –

- The Louisiana Bond Commission authorized \$905,000 in capital outlay funding for the West Calcasieu Port – for infrastructure improvements and land acquisition. Much-appreciated assistance was received from House Speaker Chuck Kleckley, Sen. Ronnie Johns, Rep. Mike Danahay and other members of the SWLA Delegation.
- The port engineer continues to work with Devall Towing and contractors to move forward on the installation of a new barge-loading ramp to replace the old ramp. Original cost of the ramp was estimated at \$450,000, but has increased to \$640,000. Received a set of photos depicting ramp construction activity in Houston.
- The port engineer also is in the initial phase of preparing for the bidding out of work to be done in constructing a new hard-surfaced road to the planned loading ramp.
- Work continues on the development of the Tresco leased land.
- Issues are being addressed to assure that U.S. Fence/Gate honor its obligation for post-installation service for the port's main security gate. Electrical outages have caused problems with the backup battery system.

Professional Organizations & Networking –

- The WCP director represented the port at:
 - a. PAL monthly board meeting
 - b. Meeting with Sen. David Vitter and staff member
 - c. Met with Calcasieu Salinity Committee
 - d. GO Group Transportation Sub-committee meeting
 - e. Chamber/SWLA Gov't Affairs/Infrastructure committee meeting
 - f. Chamber/SWLA golf tourney
 - g. Propeller Club meeting
 - h. PetroChem meetings
 - i. Boys Village board meeting
 - j. Dr. Loren Scott Economic Development presentation @ SEED Center
 - k. West Cal Reception honoring MSU AD Bruce Hemphill

News Media & Community Relations–

- Met with American Press reporter re: economic development scope
- Ongoing media relations continue through the Lake Charles Ad/Press Club and other networking opportunities.
- Ad/Press Club meeting

[NOTE: Wilmer Dugas makes a motion to accept the Port Director's Report as presented, 2nd by Tim Dougherty. No opposition. Motion carries.]

X. Announcements/Reports (Legal, Financial, Engineer)

LEGAL: Glen James said he will be writing a letter to the contractor regarding the problems the port has had with the gate. Chuck Stutes said he would meet with Glen at his office to discuss the gate problems and wording for the letter. Lynn Hohensee reminded the Board of the problems with the gate and the problems getting the contractor to come out to fix the gate and honor their commitment on the warranty work. Chuck said the warranty period is up in December, so it is important to get the problems resolved as soon as possible.

FINANCIAL: President Dick Kennison gave the financial report. Net Change in Cash shows \$69,254.94. Dick stated that barge days for September, comparing year to date to the prior year, shows a 25% increase. Ramp revenue decreased slightly for the month of September but is still producing a good revenue stream.

Wilmer Dugas makes a motion to accept the Financial Report as presented, 2nd by Scott Foreman. No opposition. Motion carries.

ENGINEER: Chuck Stutes reported that the Capital Outlay request and report from last year has been submitted to rehabilitate the deteriorating steel bulkhead that surrounds the office building. Chuck said it has been approved in the Capital Outlay Bill. As of October 17, the State Bond Commission authorized a cash line of credit on the project. The Port requested \$1,305,000 in State money, and the State approved \$905,000. Chuck said the next step in the process will be that they will send Lynn a Cooperative Endeavor Agreement showing the agreement that the State is going to provide the money and that the Port will provide the match. When that is received, the Board will need to vote on it and execute it.

[NOTE: At this time Lynn Hohensee introduces Brooke David from Senator David Vitter's office. The Board members introduce themselves and welcomes Brooke to the meeting.]

Lynn showed the Board members on the map where the bulkheading is going to take place and discussed potential uses for the area. There was further discussion with the Board regarding the Capital Outlay project. Tim Dougherty gave some history on going through the Capital Outlay approval process throughout the years.

Wilmer Dugas makes a motion to accept the Engineering Report as presented, 2nd by Scott Foreman. No opposition. Motion carries.

SUPPLEMENT TO THE ENGINEERING REPORT: Regarding the ramp project, Chuck said the ramp has now been fully fabricated and tested. It is in the Houston fabrication yard. The ramp is being painted at this time with delivery scheduled around Thanksgiving. Chuck said it's possible it could be installed toward the end of the year and in operation at the first of 2014.

Chuck also stated he is using Arabie Environmental Solutions in submitting a permit through the Department of Natural Resources - Coastal Management Division. This

permit is required for any waterfront activity. Chuck said the process may take a while, so he would encourage Lynn to contact some people he knows at the DNR office to possibly expedite the process. Lynn agreed to make some phone calls.

Lynn asked about the progress of the road development. Chuck said they should be advertising it by the next meeting. There was further discussion about the road development.

Chuck announced that they are applying for new Capital Outlay money to try to get the \$400,000 that they did not receive the first time. There is also an application for additional bulkheading. Chuck said they will not know anything on that until June of 2014. Lynn asked if there will need to be matching funds on that, and Chuck said yes. There will be 50% on matching funds.

XI. Executive Session

At 3:30 pm, Wilmer Dugas makes a motion for the Board to go into Executive Session to discuss the Port Director's contract, 2nd by Scott Foreman. At this time Brooke David, Lynn Hohensee, Chuck Stutes and Sheila Burton exit the meeting.

At 3:35 pm, Wilmer Dugas makes a motion to exit Executive Session and go back into the regular session of the board meeting, 2nd by Dave Aguillard. No opposition. Motion carries.

President Dick Kennison announces that the Board has agreed to renew the annual contract for Lynn Hohensee as Port Director with a 3% increase. Dick commended Lynn for the job he has done for the port. Wilmer Dugas makes a motion to give Port Director Lynn Hohensee a 3% increase retroactive back to July 2013 and to extend his contract through 2014, 2nd by Tim Dougherty. Lynn thanked the Board for their generosity.

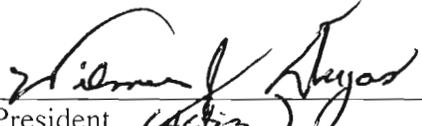
XII. Public Comments

Brooke David apologized for coming in late for the meeting. She announced that Senator Vitter has been elected to sit on the WRDA Conference Committee, which will be a good thing for both Southwest Louisiana and the ports in the area. There was further discussion and questions about Senator Vitter's local office and issues Senator Vitter is presently working on with his colleagues both here in Louisiana and in Washington.

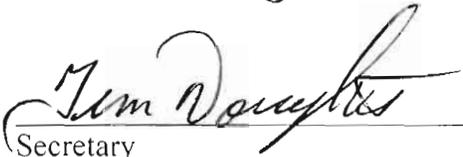
Lynn asked who all would be interested in sitting at the Port table on November 14th for the West Cal Chamber of Commerce Annual Meeting. There was further discussion about attendance at the annual meeting.

XIII. Adjournment

Wilmer Dugas makes a motion to adjourn the meeting, 2nd by Tim Dougherty. President Dick Kennison adjourned the meeting at approximately 3:43 p.m



President (Acting)



Secretary