

West Calcasieu Port Board Meeting Minutes

December 1, 2015

I. Call to order

President Dick Kennison called to order the regular meeting of the West Calcasieu Port at approximately 3:03 p.m. on December 1, 2015, at West Calcasieu Port, 7951 Dock Board Road, Sulphur, Louisiana.

II. Invocation

Dick Kennison led the invocation.

III. Pledge of Allegiance

Pledge led by Lynn Hohensee and recited by all board members and guests.

IV. Roll call

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

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

(Others also present at the meeting were: Lynn Hohensee, Darla Perry, Glen James, Francis Andrepont and Sheila Burton.)

V. Approval of minutes of the November 3, 2015 regular monthly meeting and special meetings held on November 9, 2015 and November 20, 2015.

President Dick Kennison entertained a motion to approve the minutes of the November 3, 2015 regular monthly meeting and special meetings held on November 9, 2015 and November 20, 2015. A motion was made by Wilmer Dugas to approve the minutes of the November 3, 2015 regular monthly meeting and special meetings held on

November 9, 2015 and November 20, 2015, 2nd by Scott Foreman. No opposition.
Motion carried.

VI. Amendments, additions and deletions to the proposed agenda

Agenda item was added to discuss and get an appraisal on the piece of property located at 130 Gross Road, Sulphur, Louisiana. Dave Aguillard made a motion to let Darla Perry proceed with getting an appraisal on the piece of property located at 130 Gross Road, Sulphur, Louisiana, 2nd by Wilmer Dugas. President Kennison stated that after Darla comes back with the appraisal, it will be presented to the Board and then a decision can be made on what kind of offer the Port would like to make.

VII. Committee Reports

There were no committee reports at this time.

VIII. Port Director Report

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

{NOTE: Lynn mentioned meeting with HGA Engineering Company representatives Raymond Phillips and Ernie Broussard regarding possible referral of tenant prospects. Lynn said he spoke with S.T.A.R. this morning, and they have finished all of the modifications to their building. Lynn stated he is still working with USES to clear off the concrete slab on the west side of the building, and it should be done within the next couple weeks. Lynn explained how USES's business in the area has deteriorated considerably. Lynn said he is also working with S.T.A.R. to get the dumpsters cleared out.

Lynn stated that S.T.A.R. is waiting on the paperwork on the lease agreement that gives them the clear title to go forward and start using the land that was formerly used by Tresco. Lynn asked how the Port moves forward on that. Darla Perry asked how much per month for the lease. Lynn answered 2500 per month for 2 acres. Lynn stated he has already alerted Steve Knight that they have found a lessor for the land. Glen James asked Lynn for the specific terms for the lease. Lynn answered 2500 per month for the same years as Tresco. Darla stated Tresco began March 2013 for a three-year term. Lynn said he recalls the length of the lease agreement for the property to be the same as the length of the lease for the USES building. Darla stated there is an exhibit that outlines the boundaries, if that's all they need. There was further discussion regarding the lease. Glen James commented he would take care of getting the new lease for S.T.A.R. ready as soon as possible.

Lynn reported the Port has a table reserved for the January 28 Chamber of Southwest Louisiana Annual Banquet at the Golden Nugget. Lynn said he would like to ask the Board's permission to call the Chamber to see if he can get a 2nd table for tenants that would like to attend. Wilmer Dugas made a motion to give Port Director Lynn Hohensee permission to call the Chamber to reserve a 2nd table for the Port to invite tenants to attend, 2nd by Scott Foreman. No opposition. Motion carried.}

Marketing/Business Development –

- The West Calcasieu Port tenant committee continues a due diligence effort to review proposals by three companies that have made proposals to the port to bring barge cleaning/stripping/maintenance operations to the port. Following further committee study/review, a recommendation will be made to the port board of commissioners for action.
- The port director continues to meet with Devall Towing and the Port of Vinton re: early discussions for possible movement of construction soil by barge from western Calcasieu and Cameron Parishes to industrial sites planned or under construction on the Calcasieu River Waterway. The WCP would play an instrumental role in the movement of dirt by barge.
- Met with HGA Engineering officials to discuss possible referral of tenant prospects to the West Calcasieu Port.

Port Operations –

- Permitting/engineering continues for the replacement of bulkhead along the Devall Diesel Building area. Port engineer estimates that the port will be ready to go out for bids early next year.
- Modifications to the interior of the S.T.A.R. Concrete Pumping Company building continue.
- Port engineer continues to work with barge loading ramp manufacturer, Orion Marine Group (ramp installer) and Devall Towing to initiate upgrades to the equipment.
- Work by Nash Fence Company continues to produce key pass cards for port tenants and their employees.
- Communications with Morris Shea Bridge ensured the port that company employees will improve efforts to police their parking area for trash.

Professional Organizations & Networking –

- In November, the WCP director (and/or board members) represented the port at:
 - a. West Calcasieu Chamber of Commerce annual banquet
 - b. Propeller Club meeting
 - c. Meeting with chairman of Calcasieu River Waterway Harbor Safety Committee
 - d. Three PetroChem meetings.
 - e. BV board meeting

News Media & Community Relations–

- Ongoing media relations continue through the Lake Charles Ad/Press Club and other networking opportunities.

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

LEGAL: There was no legal report at this time.

Tim Dougherty made a comment to the Board that he would be interested in volunteering to attend a conference or meeting with Port Director Lynn Hohensee that would cover the issue of leasing, specifically long-term leasing. President Dick Kennison stated he thinks most of the leases are tied to consumer price index or other indexing models over a period of time. Darla stated it also depends on how much freight goes in and out of the docks. There was further discussion regarding the issue of leasing.

FINANCIAL: Darla Perry told the Board they saw the cash flow for October, which is the last page of the Director's Report. Darla said the \$750,000 came in from the State for the capital grant money, and it was expended on the Rhodes property. Darla said there

was also the annual audit fee that shows on the report for October. Darla reported the deposits for the month were \$824,000. Barge days for October were 5,014. Darla said she has been seeing the activity pick up for the barge days. Darla stated the ramp lease is still dragging. Chuck Stutes has had a couple of teleconferences on the issue; and they have worked out the size of trucks that can go on the ramp, except for one type of truck. There was further discussion about the issues with the ramp and how the problems are trying to be resolved.

Darla stated she is still working on FEMA. Darla reminded the Board they need to spend the revenue bonding money by April of 2016. Lynn asked what the money is earmarked for, and Darla answered bulkheading. Lynn stated they need to move forward with the bidding process. Darla said there are also some permits that they need to make sure they are maintaining. Wilmer Dugas made a motion to accept the financial report as presented, 2nd by Tim Dougherty. No opposition. Motion carried.

ENGINEER: There was no engineer report at this time.

X. Executive Session

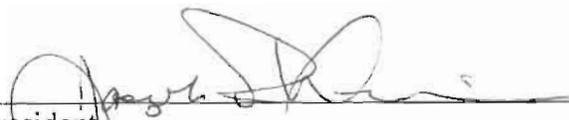
There was no executive session at this time.

XI. Public Comments

Police Juror Francis Andrepont thanked the Board for their support during the election and vowed to help the Port in any way he is able. Port Director Lynn Hohensee asked Mr. Andrepont about financial support capability going into 2016 from the Parish. Lynn asked if the funding for 2016 is already dedicated or is there an open pool of money that could be used for economic development at the port. Mr. Andrepont answered it is all case by case; but if it is valid and it means more jobs and more progress for the Parish, the Port can come to the table.

XII. Adjournment

President Dick Kennison adjourned the meeting at approximately 3:32 p.m.



President



Secretary