

West Calcasieu Port Board Meeting Minutes

October 4, 2011

I. Call to order

Vice President Dick Kennison called to order the regular meeting of the West Calcasieu Port at approximately 3:12 p.m. on October 4, 2011, at the offices of West Calcasieu Port, 311 Gross Road, Sulphur, Louisiana.

II. Invocation

Wilmer Dugas led the invocation.

III. Pledge of Allegiance

Pledge led by Tim Dougherty 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
- ✓ Dave Aguiard

NOTE: President Matt Vincent arrived later in the meeting.

(Others also present at the meeting were: Lynn Hohensee, Chuck Stutes, Darla Perry and Sheila Burton)

V. Approval of minutes of the September 6, 2011 regular monthly meeting

Vice President Dick Kennison entertains a motion to accept the minutes as printed and presented to the Board. Wilmer Dugas makes a motion to approve the September 6, 2011 regular monthly meeting minutes, 2nd by Tim Dougherty. 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 take action on the River Barge Works, LLC lease

Lynn Hohensee gave a little background regarding the lease arrangement with River Barge Works, LLC. Lynn reported the water line should be in by the middle of this month. Lynn suggested crediting River Barge Works on the lease payments they have made thus far. Darla stated she wished to see the Port issue a credit up until the date River Barge Works moves their first piece of equipment on site and not the date they start using water; or issue a credit up until the first day water is available, whichever happens first.

NOTE: At this point, President Matt Vincent enters the meeting.

Wilmer Dugas makes a motion to give River Barge Works, LLC, credit moving forward for lease payments that have been made up to the point where either the first piece of equipment is moved on site or when the water becomes available, 2nd by Dick Kennison. All board members unanimously agree. No opposition. Motion carries.

VIII. Committee Reports

Lynn reported that he met with Interface at the port for them to switch out the modem for the security setup. This allows Darla to observe the cameras from her office. Darla offered to set up the same thing in any of the board members' offices so they could observe the cameras, also. There was discussion regarding the quality of the views on the camera.

IX. Port Director Report

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

Marketing/Business Development –

- Nearly 90 invitees/guests attended the annual Devall Steak Cookout in honor of the West Calcasieu Port.
- The West Calcasieu Port was contacted by the Redd Commercial Real Estate firm in September re: interest by the US Coast Guard in locating a marine facility at the port.
- The latest information from Windstar Energy – nothing has changed.
- West Calcasieu Port-logoed shirts were purchased for port board members and staff personnel to be worn at business development and economic development-related activities and events.

Port Operations –

- The La. Dept. of Transportation & Development has e-mailed paperwork that initiates the process to begin the competitive bids for the dredging/construction work to support the extending of the port's west barge basin. Hard copies from LDOTD are to be mailed shortly.
- Louis Hebert, Calcasieu Parish Sheriff's Office, e-mailed the West Calcasieu Port and indicated that the port is now able to use the unspent funds from the Homeland Security grant for the electrical upgrades to the port entrance gate.
- The port is finalizing plans with F. Miller Construction for the installation of a security gate at the entrance to the port.
- The port, the Carlyss Water District, Devall Enterprises and Janco Construction met at the port to review and finalize the route of the 6-inch water line extension. Construction is expected to begin in mid-October. This activity followed the signing of a contract between the port and the water district and the deliverance of a port check to the water district to cover the costs of the installation work. Once the installation is completed, the port will receive an invoice from Janco through the water district, which will be used to submit a grant request to the Calcasieu Parish Police Jury for an economic development grant.
- Communication continues between the port engineer and F. Miller Construction to determine an estimate of cost associated with repairs of the bulkhead near the loading ramp that has deteriorated over the recent years.

Professional Organizations & Networking –

6. The WCP director represented the port at:
 - a. PAL Coastal Workshop and monthly board of directors meeting at Port Fourchon
 - b. National Waterways Conference
 - c. National Foreign Trade Zone conference reception
 - d. SWLA delegation reception
 - e. Chamber/SWLA infrastructure/government affairs committee meeting
 - f. Chamber/SWLA economic development committee meeting
 - g. Chamber/SWLA IMPACT meeting that featured La. Treasurer John Kennedy
 - h. Workforce Investment Board meeting
 - i. Joint Chamber/SWLA – West Calcasieu Assn. of Commerce business after hours event
 - j. Port of Lake Charles news conference that featured La. Sec. of Agriculture Mike Strain
 - k. Two PAL annual conference coordination meetings
 - l. Propeller Club of SWLA meeting
 - m. Calcasieu River Waterway Harbor Safety Committee (CRWHSC) meeting
 - n. CRWHSC navigation sub-committee meeting
 - o. Red Cross of SWLA board meeting

News Media & Community Relations–

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

NOTE: President Matt Vincent asked for a clarification on the board member terms. Matt said he spoke with the Sulphur Mayor's Office to express his concern about the dates on the terms of the board members. Darla stated that Dick Kennison's term was up in 2011; Matt Vincent's term is up in 2012; Tim Dougherty's term is up in 2013; Dave Aguilard's term is up in 2014; and Wilmer Dugas' term is up in 2015. Lynn said he would email all of the terms to everyone.

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

LEGAL: There was no legal report at this time.

FINANCIAL: Darla reported on the cash flow for August. Darla said F. Miller is starting to catch up on their back payments, but they are still taking advantage of using more property than agreed upon. Lynn said he will try to touch base with them on the issue. Net change in cash was \$272,378. Barge days in August were down nearly 600 barge days. Ramp revenue for August was \$3,150.

Lynn told the Board that every year gross revenue and net revenue is provided to PAL for their directory. In the last several years, the gross revenue has been approximately one half million dollars with the net revenue being five figures. Lynn said the fiscal year ending June 30, 2011, shows the net revenue now is close to one quarter million dollars.

Darla said she is still working with Lynn on the grants for the water line and Economic Endowment Fund. Dick Kennison asked why the Port is not being provided with a pro forma invoice if the Water District wants them to pay in advance. Darla said they have the bid, but no invoice has been provided. There was further discussion about the invoice issue and the Water District. Dick Kennison said the Water District needs to provide Darla with an invoice.

ENGINEER: Chuck Stutes said he handed out letters from the DOTD. Chuck said these are the letters that he has been waiting for giving permission to advertise the expansion of the West Barge Basin project and receive bids. Chuck said the third letter is the one where they returned the fully-executed agreement between West Cal Port and the DOTD. Chuck explained the last letter is the funding letter saying they will commit \$2,376,000 to the project. Chuck said they can now move forward with the project and should start advertising next week and receive bids in early November. Chuck told the Board that after that time, it should take 6 weeks for the actual work to begin. Chuck stated that this is an excellent time to go out for advertisements since the bids are below estimate and prices are extremely low right now. So the timing has worked out really well. Chuck said there has to be a public meeting to open the bids, and all board members as well as the public are welcome. This will probably be done in Chuck's office.

Lynn Hohensee gave a little background on the relationship with the Port and the DOTD regarding projects that have been done since Chuck Stutes has become the port engineer. Lynn praised Chuck for the work he has been doing. There was further discussion about the great working relationship between the Port and the DOTD.

Chuck reported the total project cost is \$3.1 million. The State is going to contribute \$2.376 million. So that makes the Port's portion approximately \$750,000. Chuck said a lot of that has already been paid in surveying/geotechnical engineering. Tim Dougherty praised all involved for all the work that has been done for the project.

Lynn asked Chuck if he has heard anything regarding the repair of the bulkheads. Chuck said he spoke with Mark and came up with some preliminary numbers. The estimate is in the area of \$1 million for complete replacement. Chuck recommended submitting a capital outlay request specifically for the bulkhead repair. Lynn asked if it would be beneficial having a delegation take a field trip out to look at the bulkhead conditions, and Chuck said that would be fine. Lynn said he would follow up on that idea. There was further discussion about the bulkheading issue.

XI. Public Comments

Lynn announced the Port has 8 seats available at the West Cal Port table on November 10th for the West Cal Association of Commerce annual banquet at the Isle of Capri in Westlake.

XII. Executive Session

There was no Executive Session held at this time.

XIII. Adjournment

President Matt Vincent entertains a motion to adjourn. Dick Kennison made a motion to adjourn, 2nd by Dave Aguillard. Meeting was adjourned at approximately 4:00 p.m.



President



Secretary