

West Calcasieu Port Board Meeting Minutes

October 1, 2013

I. Call to order

President Dick Kennison called to order the regular meeting of the West Calcasieu Port at approximately 4:06 p.m. on October 1, 2013, at the offices Devall Towing, 2244 Swisco Road, Sulphur, Louisiana.

II. Invocation

Lynn Hohensee led the invocation.

III. Pledge of Allegiance

Pledge led by Scott Foreman 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
- Absent: Dave Aguillard

(Others also present at the meeting were: Lynn Hohensee; Chuck Stutes; Darla Perry; Police Jurors Francis Andrepont & Ray Taylor; Charles Dalgleish representing Congressman Charles Boustany's office; Mayor Chris Duncan and Sheila Burton)

V. Approval of minutes of the September 3, 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 correction to the September 3, 2013 minutes by stating the time the meeting adjourned needs to be changed to 3:28 instead of 2:28. After correction was noted, Wilmer Dugas makes a motion to approve the September 3, 2013 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. Appointment of Consultants

Wilmer Dugas makes a motion to accept the appointments of Glen James as attorney for the Port, Darla Perry as CPA for the Port, and Meyer & Associates as engineering firm for the Port; motion 2nd by Tim Dougherty. No opposition. Motion carries.

VIII. Committee Reports

On behalf of the Tenant Subcommittee, Lynn Hohensee reported they still have not received any feedback from River Barge Works nor USES. Lynn said he would follow up with both tenants.

IX. Port Director Report

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

Marketing/Business Development –

- Met with Greenfield Logistical Solutions of La. re: possible leasing of property at the West Calcasieu Port. A tour of the port is being set up for the future.
- A second meeting was conducted at the SEED Center with a Houston-based prospect looking for shallow-water access for a midstream fueling operation.
- 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 photos will be inserted. Cost of the reprinting will be covered by the SWLA EDA.
- Port tour/meeting held for corporate real estate executive contracted by Orion Marine Group.

[NOTE: Lynn stated he met with Sammy Pate of Greenfield Logistical Solutions today and toured the port. Mr. Pate was extremely impressed with the port. Lynn said he thinks they are looking for additional land in West Calcasieu for possible laydown yards and possible additional residential construction for facilities. Lynn said he also took him on a tour of the Southland Airfield. President Dick Kennison asked questions about the development around the Port of Lake Charles and the zoning issues in the surrounding area. Chuck Stutes stated it is an industrial park, so it has got to be zoned as industrial. Chuck also stated that if it is on port property, the port controls the jurisdiction of the zone; and the Parish nor the City has any jurisdiction within port property for zoning. There was further discussion on the issue. Lynn told the board Mr. Pate also toured the Devall diesel building, and he may have some interest in possibly leasing the building.]

Port Operations –

- 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.

- 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 Tresco leased land. Weather has impacted the completion of the work.
- USES reported an electrical outage on Sept. 23. Entergy was immediately contacted and the situation was corrected within a couple of hours.
- Issues are being resolved 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. GO Group Transportation Sub-committee meeting
 - b. Chamber/SWLA Gov't Affairs/Infrastructure committee meeting
 - c. Chamber/SWLA business after hours
 - d. SWLA Economic Development Alliance meeting with LED Secretary Stephen Moret at the SEED Center.
 - e. PetroChem meetings
 - f. Calcasieu River Waterway Harbor Safety Committee and Navigation sub-committee meeting
 - g. Boys Village board meeting
 - h. West Calcasieu Chamber/Commerce quarterly board meeting and economic development sub-committee meeting
 - i. Propeller Club meeting
 - j. Christus-St. Patrick's receptions

News Media & Community Relations–

- Photo/cutline of port sign unveiling appeared in the American Press
- Exchanged information with Mr. Chris Klauss, Houston bureau chief for the New York Times.
- Ongoing media relations continue through the Lake Charles Ad/Press Club and other networking opportunities.
- Ad/Press Club meeting

[NOTE: Wilmer Dugas asked if everything is working properly on the gate. Lynn said he spoke with people at the port today. There is still a problem with the battery backup when power is lost at the port. Chris Kelly with Meyer & Associates has been in contact with the gate company, and they have assured Chris they will be out to fix it. Lynn said tenants at the port are also now reporting there is trouble with the control of the gate at the Devall Guard Shack. Lynn said he is hoping everything will be fixed soon. Darla Perry reported that the power outages are happening almost weekly.]

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

LEGAL: There was no legal report.

FINANCIAL: Darla stated she had to rearrange the scale for the barge days because the numbers were going off the chart, which is a good thing. Barge days for August were 3,752. August and July are two record months. Last year to date the barge days were 5,806. This year, for the last two months, barge days were 7,524.

Ramp revenue, year to date, is 9,400. Last year at this time ramp revenue was 11,000. Darla said it is still good ramp revenue for the ramp that is being used. Darla said there was good positive cash flow for the month of August.

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

ENGINEER: Chuck Stutes reported that they been in contact with the gate company to get the problems resolved. President Dick Kennison asked if they are being fairly cooperative, and Chuck said they are. However, they do not show up immediately when there is a problem. Chuck said it takes them a few days to show up. Lynn Hohensee said he would follow up with Entergy to find out if they have any information as to why there are so many power surges at the port.

Regarding the ramp project, Chuck said he received stamped final fabrication drawings on the ramp. They are still working on fabrication layouts. The fabricating should be finished within a month, and the ramp should be delivered in November. President Dick Kennison asked about the tax situation, if there was anything the port could do to help the Devalls with the tax issue. Darla Perry stated she turned it over to Matt Devall, and he was going to get with KPMG on the matter. President Dick Kennison gave a brief explanation to the guests at the meeting about the new ramp and how it was going to be funded.

Police Juror Francis Andrepont asked Chuck if he expected any other funds would be needed beyond the \$250,000 that the Police Jury gave for the road construction project. Chuck said once he gets firm bids he will know. Lynn said the only possible costs would be an additional amount to fix the blacktop work in the center of the port between the two Devall buildings that needs some work done.

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

XI. Public Comments

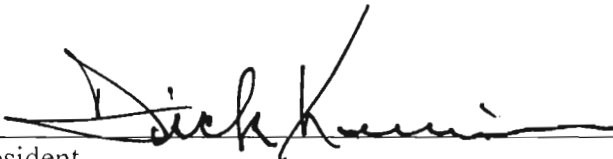
There were no public comments. President Dick Kennison welcomed the guests at the meeting.

XII. Executive Session

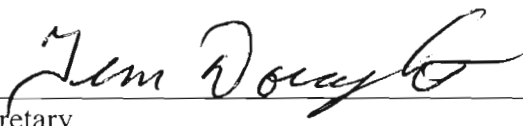
There was no Executive Session held at this time.

XIII. Adjournment

Wilmer Dugas makes a motion to adjourn the meeting, 2nd by Tim Dougherty. President Dick Kennison adjourned the meeting at approximately 4:25 p.m.



President



Secretary