

West Calcasieu Port Board Meeting Minutes

November 1, 2016

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 1, 2016, at West Calcasieu Port, 200 Old Ferry Road, Sulphur, Louisiana.

II. Invocation

Dave Aguillard led the invocation.

III. Pledge of Allegiance

Pledge led by Scott Foreman and recited by all board members and guests.

IV. Roll call

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

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

(Others also present at the meeting were: Lynn Hohensee, Darla Perry, Chuck Stutes, Chris Funk, Mark Kibodeaux, Glen James, Jeannie Weise and Sheila Burton.)

V. Approval of minutes of the October 4, 2016 regular monthly meeting and the October 14, 2016 special meeting

President Dick Kennison entertained a motion to approve the minutes of the October 4, 2016 regular monthly meeting and the October 14, 2016 special meeting. A motion was made by Wilmer Dugas to approve the minutes of the October 4, 2016 regular monthly meeting and the October 14, 2016 special meeting, 2nd by Scott Foreman. No opposition. Motion carried.

VI. Amendments, additions and deletions to the proposed agenda

Darla Perry reported to the Board that the Port has been having a lot of lawn maintenance done as far as bush hogging and clearing. Darla said she had taken a tour of the spoil disposal area and some other areas around the Port earlier in the day. Darla stated that Mark Kibodeaux is doing a great job but needs some direction as far as what problem areas need the most work and how the Board would like to address these problem areas. President Kennison told Mr. Kibodeaux he could address the Board but would need to be brief since this item is not on the agenda.

Mr. Mark Kibodeaux explained to the Board he bush hogged as much of the spoils area as he could, but the cane is 12 feet tall. Port Director Lyn Hohensee explained that the spraying done was only 50% effective. Lynn stated that he doesn't think the sprayer realized how dense the vegetation was in that area and that perhaps a lot of the cane didn't come into contact with the sprayer. Lynn said that due to the dry spell we've had in the weather, Mr. Kibodeaux may be able to get into the spoils area and bush hog down closely and take care of a lot of the vegetation. Lynn said they discussed \$100 per hour with about 20 hours of work to get it done. The Board further discussed the lawn maintenance and tenants maintaining their leased areas. Wilmer Dugas commented how horrible the area looks around the front where Star parks their trucks. Lynn said he would get with Star and ask them to start maintaining the area. Darla Perry suggested creating a committee or getting the Tenant Committee to meet for a special meeting to come up with a budgeted amount to spend per month and set up some priorities on what needs to be done. There was further discussion regarding the lawn maintenance. Lynn explained that there is a window of opportunity that needs to be taken as soon as possible; and if the Board waits another month, they will miss out on that window of opportunity. Wilmer Dugas made a motion to put \$20,000 aside in the budget to take care of the immediate lawn maintenance issues and then have the committee come back to the Board to address the other issues at a later date. Tim Dougherty 2nd the motion. There was a brief discussion regarding the motion.

President Dick Kennison suggested making the motion to put \$20,000 aside in the budget to take care of the immediate lawn maintenance issues and then have the committee come back to the Board to address the other issues at a later date as Item VI(a). No opposition to the motion. Motion carried.

Darla Perry requested adding the Audit Report to the agenda. President Kennison added the Audit Report as Item VI(b).

VI(b). Audit Report

Chris Funk introduced himself and gave the audit report. Chris reported that it was a great audit for the financial statements as of June 30, 2016 that resulted in an unmodified opinion. Chris briefly went through the Financial Report for the audit with the Board. Chris pointed out under the "Supplemental Disclosure" the item that stated, "A non-cash transaction resulted from the equity interest in the gain of the Airport Authority of \$354,039." Darla Perry told the Board that that number has not been positive since she has been involved with the Port. Chris explained the Port's equity interest in the Airport Authority and how this is the

first year they have had a gain. Chris further reviewed the audit report with the Board. Tim Dougherty made a motion to accept the Audit Report as presented by Chris Funk, 2nd by Dave Aguillard. No opposition. Motion carried.

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: Port Director Lynn Hohensee reported to the Board that the Port has not received payments from Cemex for their lease agreement for the months of October and November. Lynn said he went by Cemex's offices and they were locked and no one was around. Lynn said he will try calling them later today. There was a brief discussion regarding Cemex. President Kennison recommended taking Lynn's suggestion of contacting Cemex as soon as possible; and if there hasn't been a response by close of business tomorrow, then there needs to be a legal letter sent giving them a certain amount of time to pay their lease. There was further discussion regarding Cemex.

Lynn announced November 10th is the annual West Cal Chamber of Commerce Banquet, and the Port has 2 tables for anyone interested in going.}

Marketing/Business Development/Retention –

- The port director continues to coordinate 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
- Communications received from River Barge Works indicates that the tenant remains very interested in relocating to port waterfront property east of Orion Marine Group.
- Efforts continue to encourage the US Coast Guard to consider the West Calcasieu Port as a location for a new USCG facility in Southwest Louisiana. A second visit by USCG personnel occurred in mid-October.
- Communications continue with Driftwood LNG about the potential assistance the West Cal Port could provide to the project development. Attended and provided testimony at a FERC public hearing in support of Driftwood LNG's project to site an LNG terminal on the Calcasieu River Waterway.
- Meetings continue with GHD, the US Coast Guard and representatives of other ports in Calcasieu and Cameron Parishes re: port security funding opportunities and the path forward.
- Informed CEMEX Concrete of La. that the port is unable to modify the lease agreement between the company and the port.
- Continue to remain in contact with Tubal-Cain officials re: the company's efforts to secure regulatory permits for expansion of the 10-acre property west of the port's barge basin which continues at a slow pace.
- Attended the Gulf Ports Assn. of the Americas fall conference in Lake Charles.
- Attended the American Assn. of Port Authorities annual conference where the ports of Southwest Louisiana joined with other ports of Louisiana to host a "Taste of Louisiana" for 1,200 attendees at the Mardi Gras World on the Mississippi River waterfront.

Port Operations –

- Having received the DOTD's go-ahead to use Port Priority Fund grant monies and the port board's approval, the port engineer is proceeding with pre-construction engineering and permitting steps for the maintenance dredging of the west barge basin and the installation of the port's new entrance road. The grant covers 90 percent of the construction costs associated with the work.
- Bulkhead replacement work continues ahead of schedule along the Tubal-Cain Building. Orion Marine Group is conducting the installation of the new bulkhead and pilings.
- Port Director continues to work with consultants who are developing an effort to capture Homeland Security grant funding for several south Louisiana ports, including the West Calcasieu Port
- Port engineer continues to work with barge loading ramp manufacturer, Orion Marine Group (ramp installer) and Devall Towing to initiate upgrades to the equipment.
- Tubal-Cain continues making site improvements west of the west barge basin, including laying a water-line and installation of rock for site driveway.

Professional Organizations & Networking –

- In October, the WCP director (and/or board members) represented the port at:
 - a. PAL monthly board meeting
 - b. Attended the AAPA annual conference. During the conference, a one-on-one meeting was held with Sen. David Vitter re: USA Corps/Engineers slow progress on processing permits needed to improve port infrastructure.
 - c. Attended the GPAA fall conference
 - d. PetroChem meetings
 - e. Propeller Club meeting
 - f. Participated and advertised in Chamber/SWLA and Boys Village golf tourneys.

News Media & Community Relations–

- Conducted interview with Lagniappe Magazine free-lance reporter.
- 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 given at this time.

FINANCIAL: Darla Perry presented the Financial Report. Barge days for the first quarter of the year are 9,142 days. Darla stated they are close to on target to what was budgeted last year at this time. Ramp for year to date is \$3,600. Darla stated the last couple of days there have been some ramp usage. Darla commented that the bulkheading project looks phenomenal and invited the Board to go look at the progress. Darla reported she is still working with FEMA and progressing on the appeals. Wilmer Dugas made a motion to accept the financial report as presented, 2nd by Dave Aguillard. No opposition. Motion carried.

Port Director Lynn Hohensee told the Board that he had a chance to meet with the Devalls a couple times last month. Lynn stated apparently Black Lake Barge Towing is hitting some hard times due to the fact the frequency of the use of their facilities is considerably down.

ENGINEER: Chuck announced the Capital Outlay request was due today, and they were submitted yesterday. Chuck briefly explained the Capital Outlay process under the new Governor. Chuck stated they will not know until June of next year whether or not the project made the House Bill No. 1. Chuck said the outlook for projects this year is

probably not very good due to the State's current economic problems. Chuck encouraged the board members to get with their legislators in April of next year to try to push at least a portion of the project into the bill.

Chuck reported the bulkhead project being done by Orion is going very well, and they are approximately 85% complete. Chuck estimates the project should be finished by this time next month.

Chuck explained to the Board the other 2 projects that are ongoing through the Port Priority program are the maintenance dredging for the West Barge Basin and the construction of the road. Chuck said they are focusing on the maintenance dredging and right now they have the hydrographic survey and the engineering has begun on it. Chuck gave the Board a timeline of what they expect to get done by the end of the year on the project. Lynn stated that he and Chuck met with the Devalls, and Lynn said their desire is not to dredge in front of the barge loading ramp. Lynn reported that he had an opportunity to spend some one-on-one time with Senator Vitter last week; and Senator Vitter said that if and when the Port needs him to speak with the Corps regarding their untimely attention to the permitting activities, that he would do so. Lynn said he told Senator Vitter that he would work with him on the details of that if and when they needed his help.

Chuck also reported he met with the Devalls on the ramp issue and that authorization has been given to King Fabricators to start the engineering on the project.

X. Executive Session

There was no Executive Session at this time.

XI. Public Comments

There were no public comments at this time.

XII. Adjournment

President Dick Kennison adjourned the meeting at approximately 3:40 p.m.



President



Secretary