

West Calcasieu Port Board Meeting Minutes

December 6, 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 December 6, 2016, at West Calcasieu Port, 200 Old Ferry Road, Sulphur, Louisiana.

II. Invocation

Wilmer Dugas led the invocation.

III. Pledge of Allegiance

Pledge led by Dave Aguillard 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, Brett Lovett, Glen James, Francis Andrepont and Sheila Burton.)

V. Approval of minutes of the November 1, 2016 regular monthly

President Dick Kennison entertained a motion to approve the minutes of the November 1, 2016 regular monthly meeting. A motion was made by Wilmer Dugas to approve the minutes of the November 1, 2016 regular monthly meeting, 2nd by Dave Aguillard. No opposition. Motion carried.

VI. Amendments, additions and deletions to the proposed agenda

President Dick Kennison asked to add to the agenda as VI(a) allowing Brett Lovett to address the Board regarding the possibility of moving a barge into the port.

VI(a). Brett Lovett addresses the Board regarding the possibility of moving a barge into the port

Brett Lovett introduced himself to the Board and explained how he was there representing Dr. Glen Rhodes. Mr. Lovett explained that Dr. Rhodes would like to lease a space for approximately 6 months to moor the Crown riverboat that he owns. Wilmer Dugas asked about liability on the riverboat. Mr. Lovett told the Board there is presently no insurance on the riverboat. The Board and Mr. Lovett discussed liability and the type of insurance coverage that would be needed for the riverboat. There was further discussion regarding space needed and what is available for lease at the port to accommodate the riverboat. President Dick Kennison told the Board that when he spoke with Mr. Lovett earlier in the day, he told Mr. Lovett he didn't feel it was in the Port's best interest to moor the riverboat at the Port but invited him to come and speak to the Board at the meeting to plead his case. Mr. Lovett said they have a couple other options but welcomed any suggestions the Board might have. There was a brief discussion regarding other options for mooring the riverboat. Mr. Lovett thanked the Board for their time and exited the meeting.

VII. Discuss and take action on Statewide Agreed-Upon Procedures –Louisiana Legislative Auditor

Darla Perry explained the new audit rules and procedures that are now required due to fraud issues with various municipalities within the state. Darla stated that the Port may need to hire a third-party CPA firm to write the Port's policies and procedures so that they comply with SAUP. There was a brief discussion regarding the new procedures. Darla explained that the Port will not have any problem with complying, but it will just be more work and added expense to comply with SAUP. Wilmer Dugas made a motion to give Darla Perry authorization to engage an outside CPA firm, if required, to take care of the procedures necessary to comply with SAUP, 2nd by Scott Foreman. No opposition. Motion carried.

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/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. USCG officials have received port tours twice this fall.
- Communications continue with Driftwood LNG about the potential assistance the West Cal Port could provide to the project development.
- 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.
- 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 International Workboat Tradeshow in New Orleans.
- Attended quarterly lunch meeting for Louisiana Chemical Industry Alliance (Region IV-Southwest Louisiana).

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 continues 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 November, the WCP director (and/or board members) represented the port at:
 - a. PAL monthly board meeting
 - b. Attended International Workboat Tradeshow
 - c. PetroChem meetings
 - d. Propeller Club meeting
 - e. West Calcasieu Chamber/Commerce annual banquet
 - f. Boys Village board meeting and annual board Thanksgiving dinner with residents
 - g. Christus-St. Patrick's community advisory council meeting and Foundation dinner
 - h. United Way/SWLA ribbon-cutting, open house for new facility
 - i. As member of Ports Association of Louisiana executive committee, attended International Trade Center Salute to Gary LaGrange, New Orleans retiring port director and incoming executive director of PAL.

News Media & Community Relations–

- Lagniappe Magazine published a cover feature article that was highly positive for the West Calcasieu Port
- Met with Frank McCormack, Waterways Journal, at International Workboat Tradeshow
- Ongoing media relations continue through the Lake Charles Ad/Press Club and other networking opportunities.

President Dick Kennison entertained a motion to accept the Port Director's Report as presented. Dave Aguillard made a motion to accept the Port Director's Report as presented, 2nd by Scott Foreman. No opposition. Motion carried.

X. 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 October were 2760, which is way down from October of last year. Darla stated she is starting to see the barge days pick back up to 90 barges per day. Ramp lease for October was \$4,050. Cash flow for October was \$258,000 with most of it being Capital Grant revenue. Darla reported there was no extraordinary income or expenses. Darla stated the utility revenue as being \$1375 and stated there was a request for a water well, but the Port is unable to do it. Wilmer Dugas made a motion to accept the financial report as presented, 2nd by Tim Dougherty. No opposition. Motion carried.

ENGINEER: Chuck announced the bulkhead project is 99.5 % complete on construction with only some welding on steel members left to be done. Chuck said there should be a substantial completion inspection done a few weeks before Christmas. Chuck stated they did an excellent job and encouraged the Board members to go look at it.

President Dick Kennison asked if there have been any complaints on the ramp. Chuck answered that he hasn't heard of any complaints. Chuck told the Board King Fabricators is still doing their study and should have their final recommendations and final costs regarding the ramp modifications within a few weeks.

Chuck reported that Pelican Survey has completed all of the surveying on both the disposal area and the hydrographic sections in the water on the maintenance dredging project. Chuck said that there has been additional siltation since 2014, so the Port may have to get the Port Director to request some more funds from DOTD. Chuck stated that obviously if there are more materials removed, it will cost more money. Chuck estimates it will need 50 to 60% more material removed; however, that doesn't mean it will cost that much more. Chuck stated that he, Lynn and Darla will meet first to discuss it; and then Lynn can approach DOTD regarding the additional funds. Chuck said they are holding off on the roadway project until they receive the plans on the dredging.

Tim Dougherty asked how Tubal Cain is coming along on their permits. Chuck told Tim that he heard they employed Arabie Environmental to do their permit application, and the permit application has been submitted to the Corps of Engineers and the Louisiana Department of Environmental Quality. Chuck said the last time he spoke with Blain on it was 2 weeks ago, and they still hadn't heard anything back from the Corps. Chuck stated the process is going to take at least 6 to 8 months since there is some dredging involved.

President Dick Kennison told the board the Port is still fighting with FEMA and asked Darla Perry to expound on the issue. Darla stated the Port was denied the Ike portion of the silt, but the Rita portion has been tentatively approved. Darla said she spent 3 hours this morning and in speaking with the FEMA representative, she was told it would be off her desk today. Darla said the Port will be appealing the Ike portion and commended Chuck Stutes for his help in the wording. President Kennison thanked Darla for her diligence on the Port's behalf.

XI. Executive Session

There was no Executive Session at this time.


XII. Public Comments

Police Juror Francis Andrepont announced a new LNG plant will be coming on Burton Road where Global was located. Mr. Andrepont stated that they will need 800 acres of land, and the property is already zoned as heavy industrial. Mr. Andrepont also stated that they intend to ask for their permits March 2017 and expect to be breaking ground in 2018 with approximately 3500 jobs.

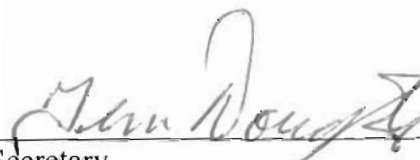
There was a brief discussion regarding road construction in the area. Tim Dougherty announced their union will be having their annual fish fry on Thursday, 5:30 to 7:00, and invited everyone to attend.

XIII. Adjournment

President Dick Kennison adjourned the meeting at approximately 3:25 p.m.



President



Secretary