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**Regular Board Meeting  
Regional Commerce Center, Board Room  
6000 Doug Attaway Blvd., Shreveport, LA 71115  
July 16, 2015**

The Regular monthly Board meeting of the Caddo-Bossier Parishes Port Commission was called to order by President Commissioner Capt. Thomas F. Murphy at approximately 4:30 p.m. in the Board Room of the Regional Commerce Center, 6000 Doug Attaway Blvd., Shreveport, LA and everyone was welcomed.

Commissioner Gregorio led the Pledge of Allegiance.

Commissioner Murphy asked Eric to call the roll: Commissioners Capt. Thomas F. Murphy, Ernest Baylor, Jr., Sam N. Gregorio, Lynn Austin, Erica R. Bryant, James D. Hall, James L. Pannell, Rick C. Prescott and Steve Watkins were present. A quorum was present. Absent: None.

Commissioner Murphy called for Introduction of Guests: Johanna Posada Kyles, Joyce Matthews, Carlton Jones and Tim Hardy, Roedel Parsons; Tyler Comeaux and Michael Chopin, Burke-Kleinpeter and Anne Gremillion, Daniel Strickland and Virginia Scherer, Gremillion & Pou. Staff: Eric England, Executive Port Director; Gloria Washington, Director of Finance & Human Resources; Rick Nance, Director of Engineering & Planning; Ted Knight, Director of Operational Services; Hugh McConnell, Director of Operations; Danyne Malone, Director of Legal Affairs and Hettie Agee, Board Secretary.

Commissioner Murphy called for public comment. Hearing none, he called for the first order of business.

**Approval of Regular Meeting Minutes of June 18, 2015:** Commissioner Gregorio said they received the regular minutes of the June 18, 2015 Board meeting that's in your package and called for a motion for approval. The motion was made by Commissioner Austin and seconded by Commissioner Murphy. Hearing no discussion, the vote was called for. All in favor, please say "Aye". Opposed, "Nay". The motion passes unanimously.

**Approval of the June 2015 Financials:** Commissioner Gregorio said the June 2015 Financials have been emailed and in your package. He requested a motion for approval and it was made by Commissioner Watkins and seconded by Commissioner Austin. Hearing no discussion, the

*"The Caddo-Bossier Port Commission is an equal opportunity provider."*

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*MEMBERS: Capt. Thomas F. Murphy, President; Ernest Baylor, Jr., Vice-President; Sam N. Gregorio, Secretary-Treasurer; Lynn Austin, Erica R. Bryant, James D. Hall, James L. Pannell; Rick C. Prescott; Steve Watkins*

vote was taken. All in favor, please say "Aye". Opposed, "Nay". Hearing no nays, it passes unanimously.

UNFINISHED BUSINESS:

**Port Expansion Committee Meeting of June 18, 2015:** The Port Expansion Committee meeting was called to order by Committee Chairman Steve Watkins at approximately 3:00 p.m. on June 18, 2015 in the Board Room at the Regional Commerce Center. Public comment was called for.

Committee members in attendance included Steve Watkins and Commissioner President Capt. Thomas F. Murphy, Ex-Officio. A quorum was not present. Commissioner James D. Hall was also in attendance. Introduction of guests was called for: Tyler Comeaux, Burk-Kleinpeter, Inc.; Joe Johnson and Zachary Johnson; Larry Harper, IMS; Tammy Bobier and Kila Bobier. Staff: Eric England, Rick Nance and Hettie Agee.

Commissioner Watkins moved to the first item of business, Port Expansion Study, and turned the meeting over to Tyler Comeaux.

Tyler gave a Power Point presentation consisting of a review of Technical Memorandum #3 and the initial presentation of Technical Memorandum #4.

Tyler said there is a couple of things on both the agenda and what I want to discuss today. I will start out with kind of going over what's on the agenda for today and that is for, on behalf of Eric and I both, in your packet is Technical Memorandum 3. It's in final draft form. We'd like for you to review it and if any comments, get back with us. We'll need to make the new changes and in the July Board meeting, we'll go ahead and adopt it with your approval. That's ticket number one which is the first stapled item in that binding clip. Ticket item number 2 which is the second item on the agenda is Technical Memorandum 4. This is in draft form and for your review and I will be presenting what is essentially in this TM and what was done to develop this TM as a part of the Port Expansion Study to conduct the final screening analysis and issue due diligence in defining the candidate properties. I will be discussing that a little bit more in my presentation today. The maps in the back I'll get to during my presentation. That's the final thing in the package. Any other things you would like to add, Eric? Kila Bobier is a person who conducted the initial due diligence. She's a lawyer and probably going to be here in a little bit. Whenever she gets here, we'll go forth with that presenting her and letting her given a little overview.

Again, this is meeting number 5 for presentation of the findings within TM 4 and the process of final screening initial due diligence and the candidate properties. The first phase was really collecting data from all the governmental entities. It was over 500 gigabytes of data, 700 or so shade files from different entities---all the public entities around. There's some stuff we downloaded off the internet for oil and gas. The next step was to look at the Port from inception through today—or at that time 2014—and develop the trends, what type of industry is here, commercial, heavy industry and properly categorize everything. The third step In that process was the questionnaire which everybody filled out. We got our priority categories that everybody thought was the most needed for future expansion of the Port and that was used to develop the Port Expansion Study GIS models. It was two. There was a

weighted overlay model and a fuzzy overlay model and these take in these ten criteria to weigh the options for those two models. I kind of touched on that first point there as a weighted overlay model and a fuzzy overlay. It's on a suitability scale 1 to 9 for most categories and we used the priority by which the average score of all the commissioners as a weighting criteria for these models. So people that thought the most of one category weighed a little bit more than the stuff you didn't think so highly of.

From the GIS model outputs, we had our preliminary sites, or hot spots if you will, and then after the hot spots we had to look at what makes sense in this hot spot area, what can we use natural boundaries, rivers or gullies, or those types of things, main roadways, main thoroughfare roadways where we would cut a site out of that hot spot and that's how we came up with the initial property sites which are the 18 areas of interest. We then brought that to the Board. You thought that looked pretty good and then we went forth with those 18 sites to conduct the initial due diligence and the final screening which we are here today to present.

The first step in the Phase 4 was to look at each one of these sites and look at each one of the parcels that are either contained within or just a portion of the parcel as part of that site to where we know the parcels that will be affected if in essence the Port were to go purchase that site, that whole polygon in the map what would be affected or potentially could be affected with these parcels. As I said there were 417 parcels that were either within or touching the candidate sites, those 18 candidate sites. There were 9 categories that were checked religiously and then any other notes while we were checking the 9 categories or 9 items we went ahead and captured. There's a few in there that had special provisions in the title that Kila noticed and captured and wrote in the extra notes column in the spread sheet. One of those, for example, is an agricultural lease, a 99 year agricultural lease. We needed to note that where you guys were aware. That's something that you would have to either negotiate or talk to the landowner about it if you were to go to purchase say—what's the terms of this lease, how can we work with this lease! The 9 categories other than the special notes are checking the owners making sure there's a proper succession or whatever it needs to be to make sure the owner in the data base was the owner that we had on record. The data bases for both Caddo and Bossier were the primary sources and then if needed, they would go to the courthouse to investigate it even further in that ownership check. If there was any right of ways—are there right of ways within this property. And it's not so much that we investigated the right of way to tell you exactly where it is but what we did do is tell you there is a right of way within this parcel. When you go to the courthouse or whenever you are to purchase this land, you know that there is a right of way and it's a flag. Hey, we've gotta look for this right of way. We've got to map out this right of way to see exactly where it is when you are doing a full title abstract on it. Any liens? We have all that noted down if there's liens on the property. Some of them have liens that are to be paid off. It's kind of a note for you guys as well. It's like before we go to purchase this, we know there's a lien and make sure it's a clear lien or work out finalizing and getting it out of the way. The leased mineral rights. This is more of a note. I don't think it's going to affect the Port purchase because you're going to use the surface more or less but it's just a note for you guys. While we were there we captured it. Any environmental hazards—there's not many we found to be honest in the mortgage in the records. I think there was a couple of agricultural lease environmental "issues". They weren't shown as an environmental DEQ environmental issue, but they were shown on an environmental concern, so we went ahead and noted that on those. We'll get into these in a little bit. I'll show you a few examples. Are there any historical monuments? Are there any

native Indian sites? Are there any cemeteries? We did find two cemeteries actually, Mary Magdalene in Bossier and then there's one not far from here that's probably just a family cemetery, but it's definitely something you need to know before purchasing. Then, the current assessed value. While I'm talking about assessed value, we looked up the tax assessor value. In our next phase is we're going to develop an implementation plan that will have cost with it. Through discussions with the Port and Eric, we thought it was in the best interest to get a professional to do this. We could have come up with a standard value of \$10,000 an acre roughly and that would have been relatively correct. But what we did was we discussed it and got with David Volentine who is an appraiser for commercial property. He provided a report and that report will be a basis of our recommended cost or approximating cost for acquisition of that land, that real estate. That will be the next step but I just wanted to address what current assessed value is. So without any further ado, what we did was went to the web sites first and then if we couldn't find it in the web sites on both Caddo and Bossier, we went ahead and went to the courthouse in Caddo or the courthouse in Bossier, whatever that parcel fell within, whichever parish. Again this is a general investigation. It's not a title abstract but it does give you the potential issues if you were to go purchase this land.

What I want to do now is in your packet behind TM 4 there's a set of maps and I'll put the maps up on the screen. There's 19 maps. These 19 maps, the first one is an overview. What the overview map shows is every one of the 18 candidate sites along with an identified site. The "F=" is the fuzzy overlay model score; the "W=" is the weighted overlay model score. These are the GIS models that we inputted all the data into and then it pops out the hot spots and we select the candidate sites. In order to get that number, we turned a raster image into a point file and then averaged the points within that candidate's site and that's kind of explained in TM 4 about how we had to average that from the raster image. So moving forward, I'm going to go through each one of these sites. On page 2, from the due diligence, we got all kinds of information on those 9 items that we were checking as well as any additional notes. From that, we went ahead and scored each parcel based on the findings. The score doesn't always say there is something terribly wrong with this or that you should never go and buy this. All the score is saying and the color ramps are saying is hey, there probably needs to be a little bit more investigation on anything that's yellow, orange or red. The yellow is just almost noteworthy which is a 3; a 2 is probably yes, it needs a little bit more investigation and a 1 definitely needs more.

What you can see on this first map on candidate site "A", you can see the perimeter here with the red perimeter all the parcels within site "A" and surrounding candidate sites but the parcel in candidate site "A", there's a 5 down at the bottom, that dark green color at the bottom of candidate site "A", there's no issues with the site more or less. There's nothing that's a real flag. They give you the owner; they give you the assessed value and etc. They didn't find anything as far as a flag. A little bit lighter green just to the north of that, there was a note in the record that there was an agricultural environmental issue. We don't know—it said agricultural vacant land--whether that is an environmental issue or not. We went ahead and just flagged it as a 4. It's not an oil spill or anything like that. It says an agricultural issue. So I don't think it's anything that's really a problem but we didn't give it a 5 because that is noted. If you kind of move over here to the left, at this corner of the site here, this is a 3. The yellows—you'll see a lot of yellows as you go through each site. A 3 is—this is not something, a showstopper, but it is something you probably want to investigate to find out where it is and that really pertains to pipeline right of ways. That is a parcel—and a lot of these parcels actually have pipeline right of ways through them. This particular parcel has that one. If you look on the screen right here, this

parcel has a surface use with Petrohawk. It's just an oil and gas well probably surface use. They have a roadway access. If you were to purchase, you would probably still have to still provide access to their trucks going in and out etc. These are the types of issues that you'll run into. In total, Site "A" was 940 acres. There's 11 parcels within it and as a note, what we did was we counted—and you can see all the green dots around this candidate site. That's the oil and gas wells, whether they're active or inactive. We went ahead and noted it because if they're inactive they may have not been capped correctly. So this is just a noteworthy thing if you were to purchase this, this is where the wells are and this is what we would have to work around or at least work to cap properly. The main one on site "A" and it actually splits site "A" and site "B", is this red parcel here. This red parcel scores a 1 on our scale because there is a cemetery in it. Somewhere, somehow in this 200-acre parcel there's a cemetery. In our final ranking criteria, we weighted all this stuff within these sites as pro's and con's. In particular to this parcel, "A" and "B" which splits candidate site "A" and "B", I noted it for sure and there was some penalty to it, and I've discussed this with Eric. this cemetery doesn't seem to be big from the aerial. It's not a 200-acre cemetery. It's probably a small family cemetery we would have to investigate more and either exclude from the purchase or work something out to remediate the cemetery. What I'm getting at this site wasn't adversely effected as much as you would expect it to be if that whole 200 acres was a cemetery. That is a great example to show—look there's a cemetery somewhere in this parcel. You've got to investigate this more before we purchase it. That's what this is done to represent for. So any questions on Site "A"?

Commissioner Watkins said the little gray piece up toward the top, the pie shape that's going between "B" and "A", why is it gray? Tyler said that's a good question. The reason why it's gray is because these are all shape files received from Caddo and Bossier. A shape file is basically a bunch of information in a GIS file and it populates based what was given to us. This particular gap, if you will, it's probably from the original shape file from Caddo Parish that they may have drawn it incorrectly but there's no parcel in the shape file there. The red parcel and the yellow parcels probably make up that portion.....Commissioner Watkins said they meet somewhere in that gray area. Tyler said exactly, and you'll see a lot of the times a great example is here. This is actually the right-of-way for between where LA 1 is. And so you'll see that there's gaps in the parcels. This instance probably when they drew it, drew wrong or something. But those two polygons do meet up I would assume. And when we did, and just for your references, when we did the parcels, we took all 18 sites and we did a spatial analysis, basically where we grabbed anything that touched any one of our sites. So if there was something there, it was going to get grabbed to be investigated. So that's how we came up with the 417.

To preface this, we're going in order from "A" to "R". We're not necessarily—and the way—the reason why I say that is because I didn't go in order from highest priority to lowest priority, however the lower alphabetical numbers are for the most part the high ranked parcels. Commissioner Watkins said so if you're a "D", you're a higher ranked than an "A". Tyler said no. It's kind of hard to explain because it didn't come out "A" through "R" the highest is "A", the lowest is "R". It actually moved around more than we thought it was. We just arbitrarily picked letters because we didn't want it to be "A" is the highest and "R" is the lowest. We picked "A" through "R" and then sorted it based on the cumulative fuzzy overlay and weighted overlay initially and then after that, based on these scores and other ancillary items such as weight limits on bridges and amount of oil and gas wells affected some of these properties, the amount they have within the parcels. So that was one of the other things that affected the final rankings. So in the—and let me kind of start with that, TM 4 there is a Table 15 in the back. I

was going to get to this a little later. But TM 4, there is a Table 15 in the back that shows the initial ranking or finalized ranking—it's in order of finalized ranking but it also shows the initial ranking and how they moved and why they moved, the pro's and con's within each parcel and the notes that are in each candidate site. Commissioner Watkins said I got you.

Tyler said if we want to move on to Candidate Site B. Again, this is relatively speaking, right across the street from the Port. The southern boundary is just a little bit north of where Benteler is and then the northern boundary is just a little bit south of Gate C. This site is actually the highest ranked site. As a note, this is the highest ranked site both initially and final. It's 760 acres. There's 11 parcels within it and there's 11 oil and gas wells within it. As you see there's the Red parcel here is the same Red parcel you saw the last slide. It split both "A" and "B". That's the possible cemetery. There is a cemetery. It's just where or not it falls in "A" or "B" or splits it. Somewhere in there, there is a cemetery. The big parcel to the north of this property--that's all one large parcel, that triangle and the kind of hook here. That actually has a J-W Operations right-of-way through it. And so all we did was mark it a "3". We've got to investigate where the J-W Operations line goes, where the right-of-way is and to make sure it doesn't adversely affect putting buildings or industries or wherever it needs to be, if it needs to be relocated or not. That's more of a flag. The same thing with this cluster. Actually all of these parcels here in this little cluster all have a pipeline right-of-way. That was shown in every one of them. The green parcels here, relatively speaking, didn't have much wrong with them, if anything, very little. That was just documentation more or less. Any questions on that? That one on the bottom actually has the right-of-way as well too, beneath the cemetery. You'll see as we go through the slides, a lot of these yellow three-score parcels typically have a right-of-way somewhere within them that is an underground utilities right-of-way, servitude, something along those lines that we just need to investigate a little bit further to make sure that later on they don't effect it whenever you go to purchase them. Okay.

We can move on a little bit to Site C. This is just north of the Port. Leonard Road splits a portion of this. This site actually splits Leonard Road. It's here and this portion which backs up to Tones Bayou. This 955-acre candidate site is made up of 10 parcels and there's 24 oil and gas wells between the two sides of the road. There's a LA Midstream pipeline right-of-way through it and the oil and gas minerals are leased. There's also an agricultural lease on a portion of this land on the triangular shape here. So that would definitely need to be investigated to determine the terms of the lease. In our Table 15, it is recommended to investigate that specifically a little bit more to make sure that we could work around that if we were to purchase this site or that parcel. The green all the way up here did not show anything. I was made aware of something that may have happened here. I may want to reinvestigate after this. Commissioner Watkins said once again, the gray between it where it divides it, what is that? Tyler said that's all residential homes and we went around the residential homes for the candidate site. That's why it's not showing those parcels. Commissioner Watkins said okay. Tyler said and when we drew the candidate sites, we took into account natural divisions as far as roads, streams etc., but we also looked—this boundary is drawn from the parcel. So there was a bunch of different layers shown where we could actually draw this. This was drawn around the houses on that parcel.

Site D – Tyler said Site D is probably 3 miles south of the Port, just south of Benteler down Hwy. 1. It was not as highly ranked as you might expect. It was probably down in the 15ish range of the 18 candidate sites and all of the yellow parcels within this have pipeline right-of-ways through it. This

elongated parcel here has a partnership with a company, so that would be something that you need to talk to the company about and see what you would need to do if we were to purchase that in that partnership. Every one of the yellow parcels have a pipeline right-of-way within it. This site is made up of 940 acres. It's six parcels and there's sixteen oil and gas wells in it. Any questions? I'm gonna come back to it, but there were sites affected by the flood and a portion of this was effected by the flood. That's going to be noteworthy in the end. It's not necessarily going to affect adversely or promote any ones that weren't but it's definitely something we need to note especially being that the flood happened this year. Commissioner Watkins said the southern tip of "D" though looks like it possibly could be something we'd be interested in, the light green. Tyler said potentially, yes. And again I don't think that the yellow is not something you don't want to be interested in. The right-of-ways need to be investigated to where you could determine whether or not you want to purchase it or not. That's what the yellow means. It's not a red flag. It's just something that you need to.

Candidate Site E is next. This is right behind the Cupples tract that was recently purchased across from the Port, across Bayou Pierre from it. This site is 1475 acres; it has 29 parcels and it has 27 oil and gas wells throughout the site. Almost every one of these yellow parcels has a SWEPCO right-of-way through it, actually every one. Everyone does and there's a few in here that one of them that one of them has a surface lease for saltwater disposal agreement and the other up here to the left has some sort of lien on it and it was a 4 year lien, \$300,000, that they're going to pay back \$75,000 every year. It's just something you need to know. If you purchase it before the four years is up, that you definitely have to work that out. You don't want a lien on the property. This is kind of contiguous through Bayou Pierre and Chicot Bayou. You can see them in the picture.

Candidate Site F also scored very high. I think it's the fourth highest and it's right there behind Candidate Site "A" and "B" essentially on the other side of Bayou Pierre. This orange parcel has a pipeline right-of-way as well as potential environmental issues with some agricultural so we went ahead and docked it because it had two things wrong with it, not just the pipelines but also potential environmental issues with agricultural. That was noted as a 2. Every one of the yellow parcels all have pipeline right-of-ways through them, J-W Operations and Louisiana Oil and Gas. The site is 1329 acres, 11 parcels and it has 23 oil and gas wells through it. As I said earlier the oil and gas wells, just to note, the oil and gas wells are inactive, inactive so they may be Cotton Valley wells that are no longer active but they're there and they're on record so just need to be properly disposed of or capped off etc.

Candidate Site G is on the other side of the River from the Port. It's 1,066 acres. There's 38 parcels, 41 oil and gas wells. To answer the question, which the green's on where the Red River stamp is, that's probably part of the shape file that we were talking about is probably part of one of the polygons whenever it got pulled in like that. The acreage was developed based off the red polygon, so there's no worry about the acreage being wrong because a parcel was wrong. The acreage was developed off of our drawing. The only thing with this is there's a right-of-way up in this little slither, pipeline, and this one has a SWEPCO right-of-way down at the bottom of this property. In here there is a SWEPCO right-of-way. I suspect that's probably the big power line.

Candidate Site H is a little bit north of Candidate Site G. It's very close to and somewhat encompasses the ag farm in Bossier. All the yellow here in this candidate's site has pipeline right-of-ways. It's different that it has servitudes and pipeline right-of-ways and it's actually different companies for all of

these pipelines (think it's three total) for these eight or ten parcels. The site is approximately 2,077 acres. There's 29 parcels and there's only 16 oil and gas wells. I do want to touch on from the questionnaire, with reference that it would be anywhere from 500 to 1,000 acres would be the preferred site size. This is substantially larger. It's actually our largest site. We brought it up in a meeting that we wanted to encompass everything, and if we didn't purchase the entire 2,000 acres, if you were to go purchase this, you could at least purchase a portion of that 2,000 acres and have a master plan for the future for the remainder. That is the same with all the larger style sites of this.

Candidate Site I is here where I-220 hits the Red River. There's not really anything wrong with this property. In fact these three or four yellow cells up here, there's nothing wrong with them, but we couldn't find anything in the Bossier Parish data base or in their courthouse. It's probably something to do with a number being off that we got from a shape file in the courthouse, so that would just have to be further investigated. That's why we marked it yellow. There's not necessarily something wrong, but it just needs to be investigated further from the data we got. The other thing of note for this property is the Bossier City Reservoir is right in the middle of it. That was noted during the final prioritization of this site that there would be a potential issue.

Candidate Site J is where Cross Lake and 220 on the north side of Cross Lake. There's only 7 parcels, 795 acres and there's 25 oil and gas wells on it. The big yellow parcel that you see right in the middle of it is there's a CenterPoint Energy servitude gas transmission main somewhere in that right-of-way. As you know a transmission main is a little bit larger than any other things we deal with. That would be something that you definitely would want to find out exactly where it's at. The three parcels, where Robson Road splits the three parcels, each one of these has a pipeline right-of-way and it's Encanta Oil and Gas. We just need to go ahead and make sure that is properly identified and located. Eric said that is susceptible to flooding. Tyler said that site in particular I weighed higher than the flooding on everything else because that one actually floods a lot more than just your typical Red River flooding like just happened. That floods a lot more because of Twelve Mile Bayou. That's basically a bowl.

Candidate Site K is 1835 acres made of 39 parcels and there's 34 oil and gas wells in between it. This is actually Wells Island. If everybody is familiar, Wells Island is just north of 220 in the big bend in the Red River. There's one entrance and one exit right now and that's Wells Island Road. That entrance and exit right now I know for a fact that one has a weight limit bridge on it. I think it's 5 tons. That adversely affected the ranking on this because it would definitely need to be upgraded for traffic of Port caliber, Port needs. This one's also, as you guys are well aware, it flooded pretty bad over this Red River flooding. It's noted as such but it's not noted as much as property J. In the event of a flood like this year's magnitude, it's very rare. The yellows here, the center and northern yellows have pipeline right-of-ways and then the southern yellows here have agricultural leases on this. So that would be something you would want to look at. And some of the ag leases are short term; some are long term. The short term ones were still noted, because if you were to go purchase it in the next year, two, three, it's probably a five year term lease. That's typically what we ran into on the short term lease. We still noted it as something that you need to look into if you're going to purchase it. By the time you purchase it, it may be expired.

Candidate Site L. This is out where Greenwood Road hits 220 essentially. It is 1322 acres. It is made up of 23 parcels and it has 20 oil and gas wells on it. The two big yellow parcels here actually have a



timber deed and I don't know if that's current, but it was noted in the Mortgage and Conveyance records that there is a timber deed. Whether or not they took the timber or have an agreement to buy the timber at the time the timber is ready is something that will have to be investigated. That's one of the things that we—during one of our meetings with Rick and Eric—Rick had brought that up that what about these lands with timber on it. It's going to cost more than regular farm land because it's got the timber. It's International Paper Company and Hood Industries has that agreement. The other smaller parcels they all have right-of-ways. The ones on the right have SWEPCO right-of-ways and the one on the left and the bottom has a Louisiana Midstream pipeline right-of-way. So that's something of note.

Candidate Site M. This is contiguous to Candidate Site L just a little bit further to the west. The big large parcel here you see the L shape, that actually has a timber deed as well, the same Hood and International Paper Company. That would be the same investigating work as you would do for L. The three small parcels on the bottom left here are all SWEPCO right-of-way in their parcels. Any questions on that?

Candidate Site N. This is just out just to the northeast of Barksdale, where I-20 and 220 meet. It kind of runs elongated here. The far left parcel where the yellow is, there is a utilities note for Bossier City to maintain water and drainage, the drainage mainly in the utilities. That was the description. All the ones to the right are all SWEPCO. SWEPCO has something there probably running straight through all those parcels. There's an agreement for every one of those yellow parcels as you go east. Another thing to note about Candidate Site N, we did a little bit of investigation on the noise at Barksdale to make sure that the industry would be accepted and it's conditionally—this is out of the report and this is part of our TM, the appendix. In fact, I didn't attach the appendix displayed in the TM to Eric because it would have been a thousand pages, but for the noise ordinance for industry in this area it's conditionally—you might know it Jimmy—the technical term is conditionally considered. So it depends on what type of industry you plan on putting here but the decibel level here is accepted to an extent for industries. I would assume that if we put in some sort of industry like we have out here that makes a decent amount of noise anyway, I don't think they would have a problem with that. So that was out of the Barksdale report done on the website. Kathy French helped me get to that.

Candidate Site O was in that same report. We looked at this as well and this is conditionally considered. There was a "CC" code. I am pretty sure it's conditionally considered. The yellow parcels within here—there's some sort of utilities and it wasn't exactly clear. The utilities and description wasn't all that great. The yellow parcels actually all—I guess 7/8 of them have utilities somewhere in there. This site is just north of Site N where we just were at 220 and 20 but just south of 220. It's made up of 620 acres, 44 parcels and there's only one oil and gas well on it which is nice whenever you're developing something. Any questions on that? As a note, that is KCS that runs through the north end of the site. That was weighed in the sorting of them for the models. That wasn't necessarily weighed in this finalized analysis.

Candidate Site P is basically Swan Lake Road, between Swan Lake Road and Airline, just north of 220. For the most part of these yellow parcels, there is an ag lease and there is a utility servitude running north/south on these parcels. It's probably along Swan Lake Road if I had to guess. That's noteworthy just to keep in mind. Also there's waterline utilities and then here, just north of 220 on the south parcels. Questions?

Candidate Site Q is just south of where Benteler is, 1100 acres. There's eight parcels and there's 78 oil and gas wells. This is a case where the number of oil and gas wells very much affected the site. To scoot around in all of these oil and gas wells and put a building would be very difficult for developmental purposes. So this is definitely in the finalized characterization you can see I think I marked it down two or three spots because of the oil and gas wells. This is one large parcel, one owner and it has pipeline right-of-ways right in it by CenterPoint. It is multiple right-of-ways through there by CenterPoint. Obviously with all 78 oil and gas wells, you would expect so.

Candidate Site R is just south of Q down Highway 1 just south of the Port. It makes up 1800 acres, 22 parcels and it has 68 oil and gas wells. This is another one adversely affected by the number of oil and gas wells on it. I think there was one pipeline right-of-way and it actually was shown in the records down here and this is the same thing I was talking about earlier with the partnership for pipeline right-of-way on Site D. That would need to be investigated. That parcel splits these two properties. One thing to note about Site R that is noteworthy, although it scored low in the models, it is noteworthy that at the top right of "R" here, this is last stuff on the channel in this area that is shown to be on the channel of the Red River without any dredging needed, those type situations. It is on the batture side of the levee that would have been affected by the Red River flood but it is noteworthy to note that there is roughly 740 ft. We put it in the description on each one of the parcels in Candidate Site R.

That is it for going through the candidate sites. Each one of these major components for much more needed investigation such as the cemeteries, those are shown in our description in TM 4. So if you read the three/four paragraph description depending on what is needed in that site, it gives you the general description, the acreage, the number of parcels, the oil and gas wells as well as well as anything that needs to be further investigated such as a cemetery, such as environmental issues, those types of things. The right-of-ways weren't necessarily put in every one of them. A lot of times it wasn't because there's so many of them and they're not a showstopper, if you will. So what I want to move forward with is going back to my presentation now.

From here, where do we go? From the initial due diligence with the parcel scores, where do we go? We take that initial due diligence, determine what needs to be done, what was adversely affected by the due diligence, what could potentially affect the final rankings such as weight limit bridges, any other ancillary things such as the number of oil and gas wells, those types of situations, cemeteries. In certain instances, those types of situations weighted the finalized ranking. And we weighed both the pro's and con's on some, and not that some sights moved up, more that some sights moved down in the final rankings because of things that were not so good for Port development or potential Port property acquisition. You'll see in the final rankings on Table 14 in the TM there's a finalized ranking. You'll see in Table 15 in the TM there's a finalized ranking and the initial one in parentheses next to it. The first seven did not change, but after that, there was a lot of movement because of issues that came up with these parcels. In there, you will also see the weighted overlay GIS model results, the fuzzy overlay GIS model results and the total cumulative with the pro's and con's and any notes that we need to tell you which is also told you in the summaries for each property. One thing of note, as I said earlier, we had to capture the information while the Red River was up like this. So actually last Tuesday, I talked to Eric and we went to each of the 18 candidate sites and looked to see that when the Red River crested what

happened—was it flooded—was it not. In Table 15, you'll see an asterisk by the candidate sites that were at least partially affected by the flood. Now I want to note that with the ones just south of the Port and actually on the east side of the River here, in Bossier Parish on the south side, were flooded up until the levee. Flooding did not occur on the other side of the levee, so there's a portion of that property that was affected but it was not the entire thing as the ones up in North Bossier and North Caddo by 220 where Wells Island and near where 220 hits the River. As you know, they closed down 220. That's just a note we wanted to show. J was really the only site that I weighted this flooding potential higher and it really affected that site because it's very prone to flooding and it's floods more often than just when the Red River floods. That was one of the sights that definitely got docked. Again, the weight limits in the TM you will also find a map that shows the weight limit bridges. We did get the updated Bossier weight limit bridges that were updated in February and re-analyzed that based on these candidate sites with the newly updated and listed out all that in Table 15. There were only a few sites that were really affected by weight limits. The higher style weight limit, 25-40 tons, that's not really an issue. The 5 ton bridges that's definitely an issue and would have to be upgraded before you could develop.

From here, the next steps—let me stop and ask if anybody has any questions on what was discussed so far. From here, the next steps, what we'll do is this is Phase 5 of basically the final phase of the Port Expansion Study and then we'll give the final presentation. We're going to develop the Implementation Plan. This will be based off of the growth rate of the Port over the years and projected growth rate of the Port that we discussed back in TM 1, which is a little over 62 acres a year on average, a five year rolling average. In addition, we are also going to tell you what type of capital you are looking at having to come up with for this Implementation Plan per year or per group of years if we decide to do that through discussions. As I said earlier, David Volentine produced a report. We have these sites--how much it would cost to acquire these sites and we can develop what we need to develop, based on the number of years that you would look to purchase this over or if it would be a one-time purchase, those types of things.

Then we're going to develop the Replacement Plan that is similar to the Implementation Plan but different in the fact that it will mimic the Implementation Plan but also tell you when you get to one 300-acre site, you need to have a Replacement Plan to buy more property to have more available contiguous space to each other to attract companies. That's gonna be the key factor here in keeping companies coming to the Port such as Benteler.

Then we'll present that, get final comments, finalize everything and then come present the finalized Port Expansion Study to you. The plan is to have TM 3 adopted next month, TM 4 in August and the final presentation in September. Any questions?

Tyler said he had introduced Kila earlier. Kila is the one that did all of our due diligence and wanted to say hello. She said I have a small law firm in Shreveport, Louisiana but I had the honor of helping with the due diligence portion of this Port expansion project on the right-of-ways, cemeteries, oil and gas leases that Tyler spoke of was because going through each of the 417 sites we were able to see those things and document those things so the Board would have a better view of what was going on with the properties that you may like to make a decision on what purchases you want to make. I wasn't here when Tyler spoke on the due diligence, but at this time if you have any questions, I'm sure Tyler did an

excellent job of going through that if you have any questions about the nine categories that I reviewed on each property or what it takes to find out that information on each property etc., I wouldn't mind discussing that with you. It was quite an honor to work on this project. You don't know what you are going to find going through the Caddo records and the Bossier records. I definitely saw a lot of history especially in the Shreveport area going through some of these properties and seeing how some of the prominent Shreveport families owned a lot of property, and how it's been bought off. I am not a native here, so it's interesting to see that some of these streets in Shreveport were named after some of these very prominent landowners. It was a really interesting project to work on, and I thank you for allowing me to do that.

Commissioner Watkins said Tyler I have a question. On each individual candidate site, just take "B" for example, it's 760 acres, 18 parcels, would it—as we focus in on some of these sites that we like, would we be able to show the 18 parcels and how they make up that site? Tyler said absolutely. Commissioner Watkins said and where I'm getting at is if you see—and I'm just talking out loud—if you see in Site "B" where one person has 400 acres that are probably prime of where you'd like, that may be our focus instead of having to go deal with a parcel that has 18 heirs in it. Tyler said and what we could do, depending on whether you would want it to be in the report or we could really easily populate a map similar to what you have here. We don't have 11x17 maps in the report for this, but what we could easily do is all it is, is turning on a layer to show the ownership of this site of the parcel and it's just showing a label. Commissioner Watkins said and I don't know that we would need to do that with all of them, because obviously some of these toward the bottom are going to fall out and we're not interested in those that flood and etc. But as we hone in on those parcels, I think it would be worth our time to see if there's some big parcels owned by single ownership. Tyler said absolutely and we, depending on how you want to move forward, we could definitely do that. If you wanted to do it for the first 10 sites in the Implementation Plan, that can be maps that we can easily produce like similar to this just with a description, the ownership name, the parcel size.

Commissioner Watkins said that's one thing I thought about. Maybe you could even categorize it by parcel size. Maybe we could show parcels that are owned by one person that are over 200 acres. Maybe do your top ten maps like that and that may be somewhere we can kind of hone in on as we look at those. That acreage is just arbitrary. Tyler said large-style acreage, not one acre. Commissioner Watkins said you don't want one acre's. You want---

Eric said Tyler laid out the initial plan for adopting the different TM's, TM 3 next month; TM 4 in August; TM 5 in September. We were going to propose that we hold another Port Expansion meeting next month just like we're doing before the Board meeting....Commissioner Watkins said that would be a good time to bring that up....Eric said for that Implementation, Commissioner Watkins.

Commissioner Watkins asked Tyler if he had anything else for them today. Tyler said I don't think so. I think I'm good. Do you have any other questions?

Eric said without a quorum, Commissioner Watkins, there is no action we can take. We can go ahead and schedule that meeting for July about 3:30 p.m. Eric said he would communicate the results of TM 3 to the rest of the Board in the meantime, so we can get it on the agenda for July.

Commissioner Watkins asked if there was anything else to come before the Port Expansion Committee and adjourned the meeting at approximately 4:13 p.m.

Commissioner Watkins said the June 18, 2015 Port Expansion Committee minutes have been presented and I move they be incorporated into the minutes of this meeting. The motion was seconded by Commissioner Pannell. Commissioner Murphy called for any discussion. Hearing none, the vote was taken. All in favor please say "Aye". Opposed, "Nay". The motion carried unanimously.

**Finance Audit Committee Report of July 6, 2015:** The Finance Audit Committee meeting was called to order by Committee Chairman Sam N. Gregorio at approximately 11:30 a.m. in the Board Room at the Regional Commerce Center.

Commissioner Gregorio said we do not have a quorum but we're going to get started and get the report in and get the minutes. Committee members present: Sam N. Gregorio, Lynn Austin and Capt. Thomas F. Murphy, Ex-Officio. Commissioner Ernest Baylor, Jr. was also in attendance. He called for introduction of guests: Tim Nielsen and Jerrod Tinsley, Heard, McElroy & Vestal. Staff: Eric England, Gloria Washington, Dannye Malone and Hettie Agee.

Commissioner Gregorio called for public comments. Hearing none, he moved to the Audit Presentation. Jerrod came to the podium to do the presentation.

Jerrod said everyone had a copy of the financial statements and had a chance to review it. He wanted to double check with that and make sure that was correct. He said as always, thank you for the opportunity to work with you. We really appreciate the relationship we have with everyone here. Gloria, as always, did a great job. Enjoyed working with her and Eric and everyone here. It was a little bit different this year with Gloria's staff leaving in December. So while we were here for the audit, it was a little more involved than normal and required more effort on her part, so I just want to say thank you. I know that was not an easy transition.

As far as the audit goes, the journal entries we made were typical that we make every year having to do with the bonds, investments, capital assets, capital leases. That's normal things we make quite a few journal entries on and that was true for this year as well—no issues out of the ordinary.

The report was submitted timely to the Louisiana Legislative Auditor by their 6-30-2015 deadline. So you're in compliance there. Does anyone have any questions before I get started with numbers?

Hearing none, Jerrod said turn to pg. 21. That is the Schedule of Findings and Questioned Costs and gives a quick summary of the audit results. Commissioner Gregorio asked if everybody had a copy in front of them. I know we received it by E-mail. Eric said we prepared a limited number of copies. Thank you very much. Sorry for the interruption. Commissioner Gregorio said you said turn to pg. 21. All right.

Jerrod said you'll see Schedule of Findings and Questioned Costs. You'll see No. 1. The Auditor's report expresses an unmodified opinion on the basic financial statements. That's a clean opinion. That's what you're looking for. It means the financial statements are fairly presented in all

material respects in accordance to the generally accepted accounting principles. We had no findings or issues of noncompliance during the audit.

If you will flip back towards the beginning at pg. 3, we'll look at the Statements of Net Position. As you'll see, the total assets are at \$207.3 million as of 12-31-2014 and keep in mind with the Statement of Net Position, it's just a snapshot in time as of that date. The balance sheet fluctuates day to day depending on A/R, A/P, anything you've got going on with cash. Keep that in mind, however, it did decrease by \$8.8 million compared to the prior year. I'll just go over a few of the things that attributed to that. Investments are up almost \$2 million dollars. You transferred \$2 million dollars into the Investment account during 2014, so that accounts for that. Accounts receivable – other, you'll see a decrease \$14 million dollars. Again, that's due to timing. That big \$14.7 million in the prior year was due to draw request no. 2 related to the Benteler project. So that was just timing on request no. 2, whereas at the end of 14, most everything had been paid prior to the end of the year.

Capital Assets increased \$4 million dollars. So you had \$9.7 in Capital Expenditures during the year and the net of the \$5.7 million in depreciation expense. So you've got a net increase of \$4 million dollars in your fixed assets which are at \$174.2 million dollars now.

Drop on down to the Liabilities section. Total liabilities decreased almost \$19 million dollars. You'll see Accounts Payable decrease a little over \$14 million. Again, that's related to Draw Request No. 2 for the Benteler project. That's due to timing. Also you'll note that Long-term debt decreased by almost \$5 million dollars from your payments on such debt. No new debt was issued during 2014 as you are aware of.

Drop on down to the Net Position section. Your total net position increased by \$10 million dollars or 7% up to \$153 million. Now I looked back at 5 years ago at 12-31-09. Your net position was \$100 million. So it's increased 50% in 5 years. So the \$10 million increase is a combination of \$2.8 million in net income from operations and \$7.2 million in contributed capital. The contributed capital is mainly revenues from LED and the Caddo Parish Commission that were received during 2014. Jerrod called for questions on the Statement of Net Position.

Hearing none, he said turn to pg. 4, Statements of Revenues and Expense. The total operating revenues increased from \$14.8 million to \$15.3. Water and sewer revenue went up a little over \$300,000 dollars and ad valorem taxes increased by about \$250,000. That accounts for most of your increase there.

Your big change on the Statement of Revenues and Expenses are indeed your expenses. You'll see that they decreased by almost \$4 million dollars. That can mainly be attributed to that well abandonment cost of \$3.6 million that was incurred in 2013. That was for the Benteler project for land access. And also the fire station operations decreased quite a bit. In 2013 you bought the equipment and trucks. In 2014, it was back to the normal monthly expenditures. So you can see there you had a net income of \$2.8 million on the bottom line. That's all I've got.

Jerrod called for questions about the financials or the notes to the financials and said he would be glad to answer them.

Commissioner Gregorio called for questions and said I want to go back just for a second to pg. 21. You told us about Section A, No. 1. It's an unmodified opinion. Jerrod said correct. Commissioner Gregorio said and No. 2, you found no material weaknesses or significant deficiencies? Jerrod said that's correct. Commissioner Gregorio said and you found no instances of noncompliance relating to the basic financial statements? Jerrod said yes sir. Commissioner Gregorio said and we were not subject to a federal audit for the year ending in '14, right? Jerrod said that's correct.

Commissioner Gregorio said good. Now for our internal systems, as part of your audit, you test those. Jerrod said we test certain parts of internal control. That's part of our risk assessment in doing any audit. We assess the internal controls and do our tests and our test work based on what we kind of assess the risk in certain areas. Commissioner Gregorio said and that's your standard procedure. Jerrod said that's standard procedure. Commissioner Gregorio said and you found those internal procedures to be satisfactory and compliant in our case? Jerrod said yes sir.

Commissioner Gregorio said in the past Heard McElroy has done an Internal Control Audit. Jerrod said that's correct. We do not opine on internal controls in this report. Commissioner Gregorio said on the Internal Control Audit, you did that how many years ago? Jerrod said is that 2012 or 2013? Eric said 12. It was done in 13 for 12. Commissioner Gregorio said in 13 for 12. I think y'all were going to do them every how many years? Jerrod said it was agreed upon for three. We'll do one in 16 for...Commissioner Gregorio said for 15. Eric said correct. Commissioner Gregorio said very good. Jerrod said right.

Commissioner Gregorio said alright. That's all the questions I have. Anybody else.

Jerrod said the new schedule in the back on the last page. We're required to put in a new schedule this year. Commissioner Gregorio said is this pg. 26? Jerrod said pg. 26, yes sir. Act 706 came out and it's requiring all entities that submit to the Louisiana Legislative Auditor to include this in the report package now. Basically whoever the head of the organization is, the Executive Director in this case, Eric, we have to put this information in as a supplementary schedule to the report. That's again anybody that submits to the LLA now has to include this, governmentals, non-profits everyone. I have a copy of Act 706 with me if any of you want to take a copy of it or look at it.

Gloria is well aware of EMMA now. She has to submit the annual financial statements to EMMA now because the Port has issued bonds and that has to be done by June 30<sup>th</sup> of every year. So that was submitted timely this year. There are certain steps we have to do to review to make sure that the Port's in compliance with that submission and we did that. Commissioner Gregorio said and we were in compliance. Jerrod said and we were in compliance, yes sir. Commissioner Gregorio said anything else with bonds, legislative requirements or the audit? Jerrod said I believe that's it. Tim do you want to add anything? He said that's all.

Commissioner Gregorio said that concludes our agenda. Although we don't have a quorum, we'll submit these minutes. The meeting was adjourned at approximately 11:52 a.m.

Commissioner Gregorio said the minutes of July 6, 2015 are in your package. We did not have a quorum so I would ask for a motion that we incorporate these into our minutes. The motion was made by Commissioner Hall and seconded by Commissioner Pannell. Hearing no

discussion, the vote was taken. All in favor please say "Aye". Opposed, "Nay". The motion passes unanimously.

**Marketing Committee Report of July 6, 2015:** Committee Chairman Ernest Baylor, Jr. called the Marketing Committee meeting of July 6, 2015 to order at approximately 12 Noon in the Board Room at the Regional Commerce Center and welcomed everyone.

Commissioner Baylor requested Eric call the roll. Commissioners present: Lynn Austin, Ernest Baylor, Jr., Sam N. Gregorio, James D. Hall, Capt. Thomas F. Murphy, Rick C. Prescott and Steve Watkins. A quorum was present.

Commissioner Gregorio led the Pledge of Allegiance.

Commissioner Baylor called for introduction of guests. Guests in attendance: Marcus Kitchin and Parker Johnson, USMMA Interns; Bryan Day and Chris Mathews, Little Rock Port Authority; Dale Boyette and Chris Marsh, Boyette Strategic Advisors; John Hubbard, AEP/SWEPCO; Tyler Comeaux, BKI; Anne Gremillion, Daniel Strickland and Virginia Scherer, Gremillion & Pou and Steve Melvin, EJES, Inc. Staff members: Eric England, Rick Nance, Brenda Levinson, Dannye Malone, Gloria Washington, Ted Knight, Hugh McConnell, Kathy French and Hettie Agee.

Commissioner Baylor called for Public Comments.

Commissioner Baylor called on Brenda for a Customer Update. Her report included: ADS Logistics; Carbo Ceramics; Pratt Industries; Ternium, West Louisiana Aggregate. Benteler continues to be on schedule. Their head count at the end of May was over 260 employees. They are currently hiring for process engineers, electrical and mechanical technicians, electrical engineers, logistics specialists and various other production and operator positions. They are looking at a Grand Opening/Ribbon Cutting in mid-October. We had a meeting on June 11<sup>th</sup> with two of SWEPCO's members of their Economic Development team, Mark James and Scott Kuehn. They came to the Port to take a good look at the Port, the assets we have, how we go about doing business and the type of business that would be beneficial to attract to come into this area from foreign direct investment that would be good for the community, good for the Port. Patrick Guillaume with Benteler came down and spent some time visiting with them just to talk about their experience and looking for a site in the US, everything that came together in this community to help them make the decision to come here and the support they've had in getting this facility built which was good for them to hear firsthand. I've since heard from Scott who's been back in Europe and they've met with some businesses and companies they already do business with on an international level talking about the Port and the prospects of some foreign direct investment here at the Port. As a follow-up note, we have a meeting tomorrow with Dr. Wilson and Randy Lucky at the Caddo Commission and SporTran to talk a little further about the bus service here at the Port.

Commissioner Baylor called for questions from Brenda and called on Eric for the monthly reports. Eric called on Kathy to give her report on the activities she's had over the past month. She asked Capt. Murphy to introduce the guests. Capt. Murphy said for the benefit of the commissioners and our guests, again this year we have two cadets from the US Merchant Marine Academy at King's



Point in New York. These two gentlemen are starting their Junior year at the academy. They were with us last week and will be with us one more week. They're both Engine Cadets. I'd like to introduce first Midshipman Marcus Kitchin from Texas and Marcus, tell us about where bouts are you from Texas. Marcus said I live in Dallas, Texas. Commissioner Murphy asked, and you play what position? Marcus said a middle linebacker and outside linebacker. Commissioner Murphy said and from Maryland, we have Midshipman Parker Johnson. Parker, what position do you play? Parker said I play offensive lineman. Capt. Murphy said you need to know these two boys spent their morning and afternoon Saturday down at the distribution of the life jackets through the Red River Waterway Commission and had a good job doing that. Thank you very much for your participation. Applause followed.

Kathy referred to the screen with a power point presentation as she gave her report. She said thank you so much for the opportunity to be able to work for the Caddo-Bossier Parishes Port Commission. This is my first time to officially address all of you but I'm just so excited to be here and so excited to be a representative of the Port out in the community. In the publicity packets you have you will find the publicity and print media for June along with the calendars and web stats for June. What I'm showing here are the Facebook postings that we've been doing since May. Thank you to Gremillion & Pou, and especially Ashley, who's been working with me to get Facebook postings done regularly, but also I need help from all of you. If you have a Facebook account, please go to our Facebook page and follow us, like us and send all of your friends to our page so they can share in all the news that we're submitting. As far as other publicity, last month Eric was interviewed by KTBS, a story was also done for LED's magazine and an interview was conducted by *The TIMES*. Kathy said she presented some reports to the Greater Bossier Economic Development Foundation, the Inner Tech Committee, the Sheriff's Breakfast, the American Society of Industrial Security International (ASIS), and will be making a presentation at an incoming Rotary meeting. The Port also hosted the Louisiana Export Training Program in May. Some other things we've been involved in are having tours: Shreveport City Council, Senator Cassidy's staff, Strategic Action Council, Leadership of Ameriprise, Regions Bank, Community Renewal International and Shreveport Bossier Tourism and Convention Bureau. In a week or two I'm going to be giving a tour to a representative with BHP Biliton and am working with Starbase to host about 170 kids in April. We've been at various events like Bossier Office of Homeland Security and Preparedness, Louisiana's Our Energy Moment Rollout Presentation, Small Business Summit meetings, Military Relations events, various MPC Meetings, City Council, Police Jury meetings, Chamber of Commerce events and other board meetings. Several prominent citizens have publicly made unsolicited statements about the Port. Saturday, July 4<sup>th</sup>, our interns from the USMMA helped with the distribution of life jackets at the KTBS Independence Day Festival. Our friends at the Red River Waterway Commission were also one of the sponsors of this event.

Commissioner Baylor called for questions. Eric said the calendar is also in your packages. If there are any conferences you see you would like to attend, please let us know and we will get you registered.

Hearing no further comments or further questions, the meeting was adjourned at approximately 12:22 p.m.

Commissioner Baylor said the Marketing Committee report for July 6, 2015 is in your package. If there's not any deletions, additions or corrections, I move that they be accepted as

printed. Any discussion? All in favor, indicate by saying "Aye". Any opposed, "Nay". They stand approved.

**Operations Committee Report of July 6, 2015:** The meeting was called to order by Secretary-Treasurer Sam N. Gregorio at approximately 12:23 p.m., July 6, 2015, at the Regional Commerce Center Board Room. Commissioner Gregorio said he noticed there are no new people that have come in for the Operations Committee. Commissioner Gregorio called for public comments. He said I do want to take the opportunity to particularly welcome the Little Rock Port group. Glad you guys are here. Thank you for coming. Happy to have you.

Commissioners present: Lynn Austin, Ernest Baylor, Jr., Sam N. Gregorio, James D. Hall, Capt. Thomas F. Murphy, Rick C. Prescott and Steve Watkins. A quorum was present.

Guests in attendance: Marcus Kitchin and Parker Johnson, USMMA Interns; Bryan Day and Chris Mathews, Little Rock Port Authority; Dale Boyette and Chris Marsh, Boyette Strategic Advisors; John Hubbard, AEP/SWEPCO; Tyler Comeaux, BKI; Anne Gremillion, Daniel Strickland and Virginia Scherer, Gremillion & Pou and Steve Melvin, EJES, Inc. Staff members: Eric England, Rick Nance, Brenda Levinson, Dannye Malone, Gloria Washington, Ted Knight, Hugh McConnell, Kathy French and Hettie Agee.

Commissioner Gregorio called on Hugh for the Operations report. Hugh said rail activity for the month has been pretty steady. On average, we have been seeing about 387 cars come into the Port over the last six months and this past month we had 385. The switch count was 832 and we've been averaging about 958. It's a little bit of a slowdown that we're seeing and some of that is due to the River. One commodity that has slowed way down is the petroleum and of course, the River being backed up and no barges coming or going, Red River Terminals tanks are full. So until we get the River back open and they can discharge some of this petroleum, then we'll start seeing some of those tank cars come rolling back in. So to let you know that during the high water event water did come up equally against the tracks and over the tracks and then when it went down, it went down equally so we didn't have any erosion, didn't have any degradation of the bed. After the water cleared the tracks, we brought out an inspector, walked everything that had gotten wet and he gave us a thumbs up and we were back rolling again, so we were only down for a couple of days while the water was over the track. Benteler did have their first rail shipment. They received two gondolas of steel billets that we took over to their facility, the first time to run on that new track. As we came in, they had a photographer set up that took pictures etc. so we were excited to run that new stretch of track and take those railcars to them. West Louisiana Aggregates had another rock train, a 90 car unit train this past month, a little over 10,000 tons. We also met with some UP representatives of their sales team. A few guys came in from Union Pacific and we did talk about how to better manage trains for West Louisiana Aggregates coming in and of course they were also visiting with Benteler and getting an idea of what their volumes were going to be. Manufacturing has been good. Ternium accounted for over 10,000 tons of steel coils into the Port. Pratt continues to make paper and bringing in the starch. A little over 2,000 tons was received. As you know the frac media has been kind of slow with oil prices down. There is still some drilling going on in the area, but the rail shipments have slowed some but we're hoping those pick back up when oil prices do come back. As I mentioned Red River Terminals hasn't transloaded much petroleum because the tanks are full. They're waiting on the River to open up. We don't have all the tonnage in at this time but we do have a little over 30,415 tons and 385 rail cars that were received.

Moving on to barge traffic, the River opened up over the weekend. So all five locks and dams are now functional and operating. As of this past Wednesday, I know there were 16 barges down at Old River waiting to come up. I talked to Terral River Service and as soon as the River is safe and they start working that backlog, we'll start seeing those barges coming up River to the Port. I do know there is a coil barge for Priefert that's down at Old River. We hope they'll make it in the next 7 to 10 days. I'm optimistic. We'll see. We also know there's some project cargo for Eastman over in east Texas that's going to use the Slack Water Harbor dock that's on go. We should start seeing some equipment moving, mobilizing, getting ready for that. They're going to have to build some mats and basically kind of lay down a road to handle this over-dimensional cargo. It should be a pretty neat sight to see because one piece is over 200 feet long—not a lot of weight but it's pretty massive. When it does come through, they're going to go out Ron Bean, so we'll need to coordinate with Ternium, Omni and Calumet and those folks because as it comes out and gets on to the highway, it will impede traffic. So we'll need to work with those people so they're aware and it doesn't hamper their business.

We did get a call from Progress Rail. They're inquiring about the River because they've got some more prospects of selling scrap in which case we'll get to handle that. Also, there's a Navigation Committee meeting on July 16 coming up in about 10 days. At that time, it will be in Natchitoches at the Red River Waterway Commission. We'll know more what the status of the River is, where the dredging is and where it needs to be done, what the status of the buoys and dike markers etc. is. Right now, we're at about 28.4 on the River and it's supposed to hold steady is what the forecasts show for the rest of the week. We're in good shape right now. We just need to see what the rest of the River is and work with the Waterway Commission and the Valley Association and get it opened back up fully.

Commissioner Gregorio called for questions. Hearing none, he called on Rick for Port Projects. Rick said 1) Await letter from the City for acceptance of the Benteler lift station; 2) the striper has contacted us about the Doug Attaway Extension and are getting ready to mobilize; 3) Riverline Rail Ph. 2, the batture line, we have now constructed the run-around track and waiting to see what River does before constructing piles for motion scales; 4) the fender rehab project was out for bid and still is. One bidder came to pre-bid. River was still high and nobody could see the dock so we're probably going to pull that bid and re-advertise. 5) the stevedore building in design, the foundation we tweaked again as a result of the flood to make some minor improvements. And that leads us into the High Water Update.

Rick said he would start with physical plant aspects. The main dock, rail---we had no damage to the rail at all—the main dock has had nothing except a lot of sand put on it. The road itself, our main road, there's no significant damage to the main road either. It came up in the ditches and that allowed it to go back down in the ditches so we had equal pressure on all sides. Our main damage is in the conveyors (we had electrical components in the conveyors), pulleys, idle arms, your axles in the conveyors, they all went under water. So we have some electrical damage and probably have to re-grease things like that on the axles and things for the conveyors. We had some damage to the weigh scales. We don't know the nature of it exactly yet because it was rail combination. The pit is out there on the dock. It got filled with sand. We're going to have to evac that sand and find out what is wrong with the conveyors. It's a relatively self-contained item, a circuit board, a ground or something. They were supposed to come out Thursday. They didn't make it; they were involved in Benteler's activation of their scales so they're planning on coming out today or tomorrow. The scale house itself has water damage. The insulation, the paneling on the inside is bad because of the water. We'll have to rip that paneling and redo the insulation. The floor may or may not have to be redone.

Dredging, obviously, lots of sand deposited. We have a bunch of sand still left on the dock that we piled up in one spot. The fleeting dolphins are in the inside of a bendway, so sand deposition is going to take place. So we're going to have to recapture the depth of where the fleeting dolphins are. The roll on/roll off is a habitual problem at the end of the dock. It always fills up with sand. It's done the same thing. We'll have to remark the mouth of the Slack Water Harbor—reopen it—and then siltation along that entire line along Scopini, it overtopped the natural levee aspect there which used to be swamp and filled in silt etc. in the Slack Water Harbor itself so we'll have to dredge that out.

We took a hit on the batture particularly along North Whittington and Scopini Island there on the outside of the bendway. It was armored by the Corps years ago, but when it gets that high and it starts going down, we start getting a lot of sluff off and so we're losing land particularly where the channel transitions from our side over to the other side and we're probably going to have pretty significant land loss there.

We have some salvage requirements: the old temporary building we had for the stevedore's office was inundated; the former Fire Station trailer that we had before we built the main fire station, brought it down here and used it for Genesis to operate trucks out of for awhile, and the little building left to us by Bill Robinson. We'll salvage those and scrap those items, recover the air conditioner, appliances etc.

As far as tenants go, physical plant wise they are in two basic areas. Red River Terminals-their steam pipes on the bridge that go out to their dock from the tank farm, that went under water so they have some insulation issues that they've got to redo. They lost the valve out there near the dock probably from something hitting it. Until they get that fixed, they can't bring their steam back up. They have sand in their steam traps and they have to blow out the steam line and may have to replace the line. They lost three pumps. Carbo, their office got flooded through the floor, so they've got the same problem. They've got to pull out the sheet rock, redo the insulation and redo their floor and minor things like that. Any questions so far?

Commissioner Gregorio asked if we could salvage the land we lost in Scopini and Whittington? Rick said no sir, it's down River in the silt—it's gone unless we dredge it and pick it back up. That's part of what we're going to do is dredge some of that sand that we're going to pick back up as our old land. Commissioner Gregorio said that's what I meant. Are we able to get it back eventually? Rick said when we do the dredging, we have the pit that's up on the north end that has about 25,000 yards still available in there. We're probably going to probably build next to our Slack Water Dock that we built already. There's a spot for a second dock and it's a low spot. We'll probably capture that and put three or four thousand yards in that and Denzil is talking about maybe putting some sand. If he excavates underneath the fleeting area, maybe pipe it across and put it on to his lease property over there, maybe recapture some of the sand at Denzil's lease property. Commissioner Gregorio asked how much land did we lose at Scopini, if you know. Rick said about 6 ft. of shoreline horizontally which is quite a bit of yardage. But if we let that continue, it'll continue to creep our way. Commissioner Gregorio asked for any other questions.

Eric said Commissioner Gregorio, what we're going to do right now is transition from Rick to me because I have some comments to make as well regarding the High River Update and some areas where we want to focus. With regard to your question, Commissioner Gregorio, it's a perfect segway way to

tell you that the Red River Waterway Commission has contacted us and requested that we submit to them our estimated damages, both in terms of scope and in dollar. We're putting the finishing touches on that letter to them. Rick covered a lot of the items of course that were damaged and we will include those in our proposal to the Waterway Commission, but also in that we are submitting a bank stabilization line item and there could very well be about a million and a half—let's just use approximate numbers--of bank stabilization funds that we could receive from the Waterway Commission for the areas along North Whittington and Scopini Island to prevent this with even further moderate high water events. So Rick, I don't remember the cross section amount, but how many feet, vertical feet was the quote, in terms of the armament? Rick said it's ten tons per linear foot. Eric said 10 tons. Rick said that costs about \$38 dollars a linear foot. So based on our total footage, we're going to submit that to the Waterway Commission. It's included within the scope that they have requested of us and it'll be included as well as the approximate million dollars of dredging. Rick discussed the dredging areas that we have. One item of just discussion, with regard to the dredge, it may very well be that the Red River Waterway Commission conducts the dredging, if you will, for us. They have well over 15 recreational sites up and down the River valley and all the five ports where dredging is going to be needed. They are strategizing right now on how they may contract for the dredging work to be done. In fact, this morning they were asking us what were our needs in terms of dredging but in terms of priority within our Port area. Of course, with that huge project cargo move that we mentioned for the Eastman Chemical facility, as well as the 16 barges, we're very interested in the Slack Water Harbor being dredged and the fleeting dolphin area. The roll on/roll off ramp is at the end of the priority on that. So I just wanted to talk a little bit about we will be submitting all those needs as well as the next item to discuss is the rail cars that were damaged that were under our care, custody and control during the event. What we're going to emphasize to the Waterway Commission are those rail cars, some of them actually were received into the Port so that they could be transloaded to barge for outbound shipments from the Port. So those rail cars were tied to barge activity and they've asked us to submit those types of expenses as well. Finally with regard to the Waterway Commission, they've asked us to submit our revenue losses, our business interpretation. We've averaged our past few years' operations and compared those against where we are year to date and projected those out for this fiscal year. We'll be better prepared to fine tune that number at our August Executive Committee meeting, but we have an estimate at this point, and one thing we want to keep in mind is, even though the flood occurred in June as we know it, we were seeing the effects of this in mid to late April. We knew that there were going to be periods of high water. That sent signals to the barge carriers and the customers and they were hesitant and reluctant to follow through with their shipments for fear that the equipment would be trapped in Pool 5 should Lock 5 close. So we've seen a drop in the tonnage and the revenues really since that late April early May period. You'll be seeing the correspondence and we'll be making a presentation to the Waterway on the 14<sup>th</sup>, a week from tomorrow night at their Ports Committee meeting which is chaired by David Jones from Bossier City.

Unless there are any questions, I do have one other item. Commissioner Murphy said in reference to dredging, the dredging that you are talking about, is in addition to and apart from dredging by Corps of Engineers for the channel. You're talking about dredging for our account. Is that correct? Eric said yes sir.

Eric said if there are no other questions, I would like to bring the committee up to date on the 61 rail cars that were damaged. We have moved forward with a third-party independent inspector that will be

on site later this week to perform a damage assessment and also give us an estimate for the repair of these 61 cars that are still within the Port complex. It's our plan to take this repair report and this damage estimate and place for public bid these repairs as quickly as possible. What we would seek from the committee today is an authorization to request bids for the repairs with the understanding that the maximum amount would be capped at \$500,000. And it's our idea that the report will be received by early next week and we would like to move forward with issuing the request for bids as quickly as possible which is before the next Board meeting. However, once we receive those bids back, we will communicate with the Commission as we've discussed. Commissioner Gregorio said a motion was made by Commissioner Watkins and seconded by Commissioner Hall. Any discussion? Commissioner Gregorio said is there any insurance coverage by our policies or the tenants' policies that would cover this? Eric said we are exploring. I don't have a clear answer for you Commissioner Gregorio. In this process we're twofold, exploring our insurance—Montgomery Agency is still doing that—and also during this process we will interact with the customers of ours to explore their insurance as well. Commissioner Gregorio said and when we come back we'll know those questions. Eric said we hope to, yes sir. Commissioner Gregorio said any other discussion? All in favor, please say "Aye". Opposed, "Nay". It passes unanimously.

AYES: Commissioners: Thomas F. Murphy, Ernest Baylor, Jr., Sam N. Gregorio, Lynn Austin, James D. Hall, Rick C. Prescott and Steve Watkins.

NAYS: None

ABSENT: Erica R. Bryant and James L. Pannell

ABSTAINING: None

Eric said that brings us to the monthly reports. They're in your packages. We've gotten a pretty good overview of them from Rick and from Hugh. Will be glad to answer any other questions. If not, I have nothing further. I want to thank the Commission for everything. As we've worked through this past month, we appreciate the support you've given us. I think we've come out of it stronger and better. Thank you very much.

Commissioner Gregorio said two things. One is thank you and the staff for the work during this high water period. It's kind of unique and y'all have done a good job with it, absolutely. Secondly, any other questions, old business or new business, if not, we stand adjourned. Thank you.

Commissioner Gregorio said those are also in your package and have been emailed. I move that we have approval of those minutes of July 6, 2015 of the Operations Committee. Hearing no discussion, the vote was taken. All in favor, say "Aye". Opposed, "Nay". That passes unanimously.

**Port Expansion Committee Report of July 16, 2015:** Committee Chairman Watkins said the Port Expansion Committee met today at 3:30 p.m. A quorum was present. At the meeting, Tyler Comeaux with BKI presented, in final form, Technical Memo No. 4 and also provided an overview of the Technical Memo No. 5. We will ask for the Technical Memo No. 4 be placed on the August Operations Committee agenda for consideration by the Commission. Everybody can have time to look at it. The minutes of the meeting will be prepared and presented at the August Board meeting also. That concludes my report.

UNFINISHED BUSINESS:

**Port Expansion Study Technical Memo No. 3:** Mr. England said Technical Memorandum No. 3 has been prepared in final form and has been recommended by the Port Expansion Committee and is recommended for adoption by the Board at this time. The motion was made by Commissioner Gregorio and seconded by Commissioner Baylor. Commissioner Murphy said it has been moved and seconded that we adopt Technical Memo No. 3. Any discussion? All in favor, please say "Aye". Opposed, "Nay". It passed unanimously.

AYES: Commissioners: Thomas F. Murphy, Ernest Baylor, Jr., Sam N. Gregorio, Lynn Austin, Erica R. Bryant, James D. Hall, James L. Pannell, Rick C. Prescott and Steve Watkins.

NAYS: None

ABSENT: None

ABSTAINING: None

**2014 Audit:** Mr. England said the 2014 Audit was presented at the Finance Audit Committee which Commissioner Gregorio previously described in his report. It has been prepared in its final form and is recommended for adoption at this time. The motion to adopt was made by Commissioner Gregorio and seconded by Commissioner Baylor. Commissioner Murphy said it had been moved and seconded to adopt the 2014 Audit. Any discussion? Commissioner Gregorio said it was a very clean report. Everything was in order. We passed everything—no suggestions. All the schedules were proper. So, just a little verbal since it was not a quorum, just to express that. The CPA firm was very complimentary—because of Gloria---All in favor of Mrs. Washington. Commissioner Murphy said thank you Gloria. All in favor, please say "Aye". Opposed, "Nay". It passed unanimously.

AYES: Commissioners: Thomas F. Murphy, Ernest Baylor, Jr., Sam N. Gregorio, Lynn Austin, Erica R. Bryant, James D. Hall, James L. Pannell, Rick C. Prescott and Steve Watkins.

NAYS: None

ABSENT: None

ABSTAINING: None

**Rs. No. 13, 2015, Indicating the Intention of the Caddo-Bossier Parishes Port Commission to Become a Participating Political Subdivision of the Louisiana Local Government Environmental Facilities and Community Development Authority; Approving the Appointment of Eric England as a Director to Represent the Caddo-Bossier Parishes Port Commission on the Board of Directors of The Authority:** Mr. England said this resolution will renew or continue our membership in LCDA and it's recommended for adoption at this time. A motion to adopt was made by Commissioner Pannell and seconded by Commissioner Watkins. Commissioner Murphy said it had been moved and seconded to adopt Rs. No. 13. Any discussion? All in favor, please say "Aye". Opposed, "Nay". It passed unanimously.

AYES: Commissioners: Thomas F. Murphy, Ernest Baylor, Jr., Sam N. Gregorio, Lynn Austin, Erica R. Bryant, James D. Hall, James L. Pannell, Rick C. Prescott and Steve Watkins.

NAYS: None

ABSENT: None

ABSTAINING: None

**Rs. No. 14, 2015: Authorizing an Amendment to Lease Agreement Between the Caddo-Bossier Parishes Port Commission and ADS Logistics Co., Inc.:** Mr. England said this is a resolution to authorize an amendment with an existing Port tenant and customer, ADS Logistics. It will amend their lease for them to continue their lease for a period of one year. It is recommended for adoption. The motion to adopt was made by Commissioner Pannell and seconded by Commissioner Prescott. Commissioner Murphy said it had been moved and seconded that Rs. No. 14 be adopted. Any discussion? All in favor, please say "Aye". Opposed, "Nay". It passes unanimously.

AYES: Commissioners: Thomas F. Murphy, Ernest Baylor, Jr., Sam N. Gregorio, Lynn Austin, Erica R. Bryant, James D. Hall, James L. Pannell, Rick C. Prescott and Steve Watkins.

NAYS: None

ABSENT: None

ABSTAINING: None

**Red River Flood Update:** Mr. England said the Red River Waterway Commission asked for the ports in the River Valley to present their damages, both in terms of physical site damage as well as any operating revenue losses. Capt. Murphy and I traveled to Natchitoches Tuesday night and made the presentation of those. We had submitted correspondence and the Ports Committee heard our presentation. Again, this was a request of the Waterway Commission and it was a report to them. This committee is chaired by David Jones of Bossier Parish. What the committee has done is taken the presentations into consideration. I anticipate that we'll be back before them in August for further discussion. One thing they did ask us to do was prioritize our request. We'll keep you posted on that. It was a good meeting.

With regard to the rail cars that we've visited with the Commission about, we have received the report of the third party independent inspector and we have prepared the bid documents. Our plan is to go out for bids early next week with the understanding that the repairs will be in the \$500,000 or less range as we've discussed up to this point. This will be a public bid. It will be bid for a period of 15 days. So we will receive the bids in the first week of August and our plan is to bring the results of those bids before the Commission at the August Operations Committee meeting. Depending on the bids received, we will likely ask the Commission to receive that report and act upon it that same day where our typical action is to make a presentation and lay it over until the Board meeting. We may be in a position to ask the Commission to move forward on that day. We'll keep you posted on that.

Commissioner Gregorio asked if we have any more information about the insurance coverages. Mr. England said he had not received any update. Dannye had been in touch with our insurers, but I believe the answer is no. Dannye said that's correct. Commissioner Gregorio said what about third party, the tenants, the companies that were using or owning the cars themselves. Eric said right. Dannye said we have not received anything at this point in time



although we have requested that information. Gregorio asked do you think it is likely we will have that information before we have to act on the—Mr. England said we have between now and the first week of August to request that and make an effort to receive it. Commissioner Pannell asked where are we as far as cost by the cars being idled. Would that be any additional cost or is in the discussion or...Mr. England said it is Commissioner Pannell in the discussion. Fortunately the customers that have impacted rail cars they do not have demurrage or daily carrying costs for them to sit on them, so that's fortunate in this situation.

Commissioner Austin asked Eric what are they moving to Longview that they've brought in here. What's that big pieces of equipment that they're moving? Mr. England said there are two large pieces that are going to go to the Eastman facility in Longview. One of them is referred to as a cold box and one of them is a pressure vessel type piece of project cargo. When you see it you will see in it in its horizontal position, but it will be stood vertically and be used in the refining process at Eastman. The first shipment is scheduled to leave the Port, which is the cold box, tomorrow morning. It will be at Hwy. 1 and Ron Bean Blvd. at approximately 9:00 a.m. and then it will spend the next two days in Shreveport. The first day it will go from the Port to approximately the location of Regional Urology at Bert Kouns near Home Depot. It will spend the second day almost to General Motors in that area and then work its way into Texas from there. Commissioner Austin said that's the biggest trailer I've ever seen. Mr. England said it's massive. Commissioner Austin asked how many wheels are on it? Commissioner Murphy said better than 200. Mr. England said I haven't counted. Commissioner Murphy referred to the photos he had shared with the Commission and said the cold box is about 60 some odd wheels on that truck and the long 182 ton piece is better than 200 wheels.

Mr. England said Capt. Murphy, I did want to continue if there weren't any more questions about my Red River...I just want to make sure that I conclude my comments about the Red River before my Port Director's report. I wanted to make sure the Commission understood that yes, we did receive barge shipments this week. It was the project cargo which we just discussed as well as the steel coil. But we're not out of the woods yet. What we have is a situation where the River is high and the carriers/shippers took advantage of that high water because we're at that higher River level. We're in the mid high 20 level. As the River continues to fall and get closer to pool stage, we'll have that lesser freeboard difference between the pool elevation and the top of the amount of material that needs to be dredged. Yes we did receive shipments, but in the coming weeks as we get closer and closer to pool, we will begin to see that the barge shipments likely will not be possible until the dredging is completed. It's great that we got them and.....Commissioner Pannell asked if dredging had begun. Mr. England said dredging at the locks has begun and is not yet completed, but we are operating all 5 locks and of course, we are able to get barge through now. The Red River Waterway Commission in their meeting Tuesday night authorized staff to go ahead and move forward on dredging as well, retaining Pine Bluff Sand & Gravel with their large dredge to help the Corps with their dredging efforts. That concludes my report under the Red River Flood Update.

Capt. Murphy called on Mr. England for his Port Director's report.

**Port Director's Report:** Mr. England said I wanted to make sure the commissioners knew about the coils and we've talked about that. We did receive our first barge load of coils for Priefert Steel and they were in our offices yesterday, Mr. Priefert and two of his sons were with us, in addition to three members of his executive team. We have several more shipments of steel planned throughout the year. So it's turned out to be a great customer we have retained and we're going to do everything we can to keep them. We think the future's bright with them. Commissioner Gregorio asked where does that steel go. Mr. England said it's going to go to Mr. Pleasant, Texas. Priefert is a company that manufactures a lot of tubing that is eventually manufactured into cattle gates and things that are used as farm implements and in the handling of cattle etc., at rodeos as well as on farms and ranches. Also the material is also rolled to manufacture trailers for consumer use in this area as well. They also use it for what we would call building materials like the exterior skin of buildings, the downspouts etc. that you see on a lot of the metal buildings in this area.

One of our existing customers, Omni, is prepared to move forward on an expansion so we're going to be communicating with you all more about that. It's going to be a 300,000 sq. ft. expansion and it's just a magnificent announcement that we're looking forward to making as we can work out the financial details. They have asked the Port to bond the project, so we're going to have a discussion with the Executive Committee in August about the retention of bond council and we'll just keep you posted on that as it develops.

We also have another tenant that's considering another large expansion in that same square footage range.

Finally we have a prospect as well that is considering a manufacturing facility adjacent to the Ronpak, Pratt and Ternium area. It's an incredible time for us right now and we will continue to work with all those.

That concluded what I had to say about in terms of new projects, but I did want to follow up with the Commission on one thing that was discussed in a previous meeting. In the wake of the 2015 flood, there was discussion at one of our meetings in June about what the Port could do to facilitate a discussion among the Caddo & Bossier officials. Perhaps it be lessons learned—being the entities together about things that could be done for the future and we have worked with Butch Ford at the Bossier Parish Police Jury and we're going to be the host of a meeting of the governmental agencies as well as all the agencies involved in that effort and we will hold that meeting on July 28<sup>th</sup> at 10:00 a.m. in the RCC Steering Room. We're happy to report that's come together as we had planned. It will likely be over a two/three hour span and we'll have a working lunch in conjunction with that meeting.

Finally, I appreciate Commissioner Gregorio for giving us this lead. There was a series of films titled "The Shape of Shreveport" by Chris Scott. Many of you probably have seen

them. With the completion of the first four, they're already thinking about the next four. There has been a suggestion that they consider a transportation element to one of the four future films. We met with Chris last week and suffice it to say, he did not realize the impact and just the magnitude of the activity at the Port and it's very well likely, it will not just be a portion, it could very well be a majority, that being the Port and its impact to one of the films. So we're going to continue to work with Chris and provide him information as he researches the film. But it will be a great opportunity for the Port message to be a part of these films.

Mr. England said I would be remiss if I didn't say also "Thank You" to Gloria for a wonderful audit—unmodified opinion, no material misfindings and no misstatements. It's a great audit and it's reflected in her professionalism and expertise. And I just want to thank her. That concludes my report.

Commissioner Murphy recognized Commissioner Watkins who said he had something he wanted to bring up here, new business. Commissioner Murphy said right, that's what I was getting ready to call for if there's anything that we need to go into New Business now. Go ahead. Commissioner Watkins said he and Commissioner Pannell were just talking and thinking the other day. One thing that we talked about is that we hadn't seen—maybe it's just our fault for not looking for it hard enough—an organizational chart of how the flow of everything went here at the Port. I will tell you kind of what spurred that on is when we had the flooding issues and all that, during a portion of it, Eric was out of town on Port business. We were wondering if that happens, who does, what is going on at the Port, who's the second in command so to speak. We visited with Eric about that too. We think that's in there. We haven't seen it. But as I was going through that, I kind of looked at our By-Laws—I have a really old set of By-Laws. Our By-Laws have not been revised in a while. I talked with Commissioner Austin—I know he's Chairman of the By-Laws Committee, but I just think it's time that the By-Laws Committee comes back together. It may be as long as '06 maybe that since we've made a By-Law change. We've certainly grown a lot since '06, so I think it's incumbent on us to look at that. A parcel of that, and this is going to sound all disjointed, is our organizational chart, the By-Laws and that is also job descriptions. And I think that may fall under Mrs. Bryant's Personnel Committee. Part of the things in our By-Laws is it talks about that job descriptions need to be looked at yearly, that our employees need to be evaluated by the Port Director yearly and the Port Director needs to be evaluated by the Commission yearly. Well, I'm pretty sure he's doing his end. I'm not real sure we've done our end either. So I'm just throwing that out as that's something we need to think about is if Lynn and Erica think that's something their committees want to look at. I think we certainly may need to look at that. We have grown exponentially over the years and the way I've seen it is that we've had this very basic organizational chart. As we've grown, we've had to add parts and pieces and put that thing together and it's worked great. But as we're coming up on our 25-year anniversary, I think we need to be focused on the next 25 years as a time to step back and look back at that one piece as it relates to a lot of different things, and say is this the vehicle that's going to take us to the

next 25 years. So I just wanted to throw that out something to think about, Eric and staff, and committee heads that maybe we want to pick up on that. Commissioner Murphy asked if he would like to make that in the form of a motion. Commissioner Watkins said so move. Commissioner Murphy called for a second and it was seconded by Commissioner Prescott. Commissioner Murphy said it's been moved and seconded that we have the two committees mentioned to look at our By-Laws, the Personnel Committee and By-Laws Committee. Commissioner Austin said we'll do that sometime in August and we can do it, since they're so close together, we can do it kind of simultaneously and then meet together and that would probably include just about everybody. Commissioner Gregorio said as part of the discussion, would it be possible, Dannye, to look and see in our current By-Laws what the Board is supposed to be doing and make sure that we're doing it, and if we're not doing it, kind of let us know. Dannye said absolutely. Commissioner Murphy called for any further discussion. All in favor, please say "Aye". Opposed, "Nay". It passes unanimously.

AYES: Commissioners: Thomas F. Murphy, Ernest Baylor, Jr., Sam N. Gregorio, Lynn Austin, Erica R. Bryant, James D. Hall, James L. Pannell, Rick C. Prescott and Steve Watkins.

NAYS: None

ABSENT: None

ABSTAINING: None

Commissioner Murphy said then Eric would you please poll those commissioners and the members of those committees as to a good date that's compatible with everybody. Mr. England said we can do that Capt. Murphy.

Commissioner Murphy said is there anything further to come up under New Business? The next item on the agenda is Executive Session to discuss a pending lawsuit, Docket No. 509.871, First Judicial District Court, Caddo Parish, Louisiana. Caddo-Bossier Parishes Port Commission Versus Defendants: Arkla Disposal Services, Inc., Arkla Disposal, LLC, Tervita, LLC (formerly known as American International Specialty Lines Insurance Company, and insurer of ARKLA").

I would entertain a motion to go into Executive Session. The motion was made by Commissioner Baylor and seconded by Commissioner Pannell. All in favor, please say "Aye". Opposed, "Nay". It passes unanimously.

AYES: Commissioners: Thomas F. Murphy, Ernest Baylor, Jr., Lynn Austin, Erica R. Bryant, James D. Hall, James L. Pannell, Rick C. Prescott and Steve Watkins.

NAYS: None

ABSENT: None

ABSTAINING: None

Commissioner Murphy said I will ask Eric, Dannye, Tim Hardy and his team and Hettie to remain and ask the rest of you to be excused.

Commissioner Murphy invited the guests back into the Board Room and a motion was made by Commissioner Hall and seconded by Commissioner Austin to go out of Executive Session. Hearing no discussion, the vote was taken. All in favor, please say "Aye". Opposed, "Nay". It passes unanimously.

AYES: Commissioners: Thomas F. Murphy, Ernest Baylor, Jr., Lynn Austin, Erica R. Bryant, James D. Hall, James L. Pannell, Rick C. Prescott and Steve Watkins.

NAYS: None

ABSENT: None

ABSTAINING: None

The Board met in Executive Session and discussed the previously referred to case.

A motion was made to amend the Agenda by Commissioner Watkins and was seconded by Commissioner Austin. Any discussion? All in favor, please say "Aye". Opposed, "Nay". It passes unanimously.

AYES: Commissioners: Thomas F. Murphy, Ernest Baylor, Jr., Lynn Austin, Erica R. Bryant, James D. Hall, James L. Pannell, Rick C. Prescott and Steve Watkins.

NAYS: None

ABSENT: None

ABSTAINING: None

Commissioner Hall made a motion to approve Roedel Parsons to go forward with the case we discussed in Executive Session. I amend my motion to say we approve Tim Hardy with Roedel Parsons. Commissioner Murphy called for any discussion? All in favor, please say "Aye". Opposed, "Nay". It passes unanimously.

AYES: Commissioners: Thomas F. Murphy, Ernest Baylor, Jr., Lynn Austin, Erica R. Bryant, James D. Hall, James L. Pannell, Rick C. Prescott and Steve Watkins.

NAYS: None

ABSENT: None

ABSTAINING: None

Commissioner Murphy called for any other business. Hearing none, the meeting was adjourned at approximately 5:52 p.m.

Respectfully submitted,

Commissioner Sam N. Gregorio  
Secretary-Treasurer

**August Meeting Notices!!**

***Next Regularly Scheduled Meeting: Thursday, August 20, 2015, 4:30 p.m.***

Board Room, 6000 Doug Attaway Blvd., Shreveport, LA 71115

***Port Expansion Committee Meeting: Thursday, August 20, 2015, 3:30 p.m.***

6000 Doug Attaway Blvd., Shreveport, LA 71115