



6000 Doug Attaway Blvd. | Shreveport, LA 71115 | P (318)524-2272 | F (318)524-2273 | port@portsb.com | www.portcb.com

Caddo-Bossier Parishes Port Commission  
Regular Board Meeting  
Regional Commerce Center, Board Room  
6000 Doug Attaway Blvd., Shreveport, LA 71115  
January 18, 2018, 4:30 p.m.

President Commissioner Gregorio called the meeting to order at approximately 4:30 p.m. in the Board Room of the Regional Commerce Center, 6000 Doug Attaway Blvd., Shreveport, LA.

Commissioner Griggs led the Pledge of Allegiance.

The roll was called. Commissioners: Sam N. Gregorio, Roy Griggs, Walter O. Bigby, Jr., James D. Hall, Capt. Thomas F. Murphy and Steve Watkins. We have a quorum. Absent: Erica R. Bryant and James L Pannell. Rick C. Prescott joined the meeting at approximately 4:37 p.m.

Introduction of guests: Joe and Zachary Johnson; Sarah McKinney, Romph & Pou Agency; Tyler Comeaux, Burk-Kleinpeter; Ty Scroggins, Scroggins Consulting; A. Thomas, 1<sup>st</sup> Choice Drug & Alcohol Testing, LLC; Jerry Yarborough. Staff: Eric England, Brenda Levinson, Danye Malone, Gloria Washington and Hettie Agee.

Commissioner Gregorio asked if there are any public comments on any agenda items. Hearing none, they moved to the first item of Unfinished Business.

#### **UNFINISHED BUSINESS:**

**Motion by Commissioner Griggs, seconded by Commissioner Hall, to approve the Regular Board Meeting Minutes of December 21, 2017: Motion approved by the following vote:**

AYES: Commissioners: Sam N. Gregorio, Roy Griggs, Walter O. Bigby, Jr., James D. Hall, Capt. Thomas F. Murphy and Steve Watkins. NAYS: 0. ABSENT: Rick C. Prescott, Erica R. Bryant and James L. Pannell. ABSTENTIONS: 0.

**Motion by Commissioner Griggs, seconded by Commissioner Hall to approve the November 2017 Financial Reports: Motion approved by the following vote:** AYES: Commissioners: Sam N. Gregorio, Roy Griggs, Walter O. Bigby, Jr., James D. Hall, Capt. Thomas F. Murphy and Steve Watkins. NAYS: 0. ABSENT: Rick C. Prescott, Erica R. Bryant and James L. Pannell. ABSTENTIONS: 0.

*"This institution is an equal opportunity provider and employer."*

*MEMBERS: Rick C. Prescott, President; Roy Griggs, Vice President; Walter O. Bigby, Jr., Secretary-Treasurer; Erica R. Bryant; Sam N. Gregorio; James D. Hall; Capt. Thomas F. Murphy; James L. Pannell; Steve Watkins*

**Port Expansion Committee Report of January 8, 2018:** The Port Expansion Committee meeting was called to order by Commissioner Sam N. Gregorio at approximately 11:00 a.m. on January 8, 2018 in the Board Room of the Regional Commerce Center. Introduction of guests was called for.

Committee members in attendance included Sam N. Gregorio, Ex-Officio; Walter O. Bigby, Jr. and Capt. Thomas F. Murphy. A quorum was present. Commissioner Jimmy Hall was also in attendance. Guests: Tyler Comeaux, Burk-Kleinpeter; Paul Lambert, Lambert Advisory and Mike McSwain, Mike McSwain Architect. Staff: Eric England, Dannye Malone, Rick Nance, Kathy French and Hettie Agee.

Commissioner Gregorio called for any public comment on any agenda items. Hearing none, he called on Eric to introduce Paul Lambert to make a presentation on his report. Using Power Point, Paul gave the report and began with the scope, which was to evaluate a potential center site and a commercial site located on Port property. There are primarily three key drivers for a retail center: 1) employment within and surrounding the Port; 2) through traffic on Highway 1; and 3) South Shreveport area households. The first two drivers are the key drivers for a retail/commercial center. We believe there is about 14,000 sq. ft. of space which is demanded as a result of worker expenditure in and around the Port. What we conclude from this, we believe there is a demand for a strong commercial center between 15/20,000 sq. ft. at the Port. Achievable rental rates would be in the \$15 to \$19/sq. ft. We believe there's an opportunity to attract one/two small restaurants, personal services and financial providers, including a barber/hair salon, health care center, urgent care and other smaller office users, small bank branch and child care facility. Our one big concern is the location. We believe that locating a commercial center south of what's a heavily used rail line is a recipe for failure. We believe there's an opportunity to locate at one of the properties. For a 15/20,000 sq. ft. center you may be looking at an acre and a half, maybe two acres of land including the parking. We would strongly recommend to either through a partner or yourself that you rethink the location either where it currently exists to the east of the railroad tracks.

Eric said we need some time to digest the report and interact with the Committee some more. Eventually what we'll do is seek a recommendation from the Port Expansion Committee to the full Board so the Board can take action and accept the report.

Commissioner Gregorio called on Eric for an update on Candidate Site B and the Bossier/Webster Baker Tracts.

Commissioner Gregorio said that concludes our agenda items and adjourned at 11:26 a.m.

**Motion by Commissioner Watkins, seconded by Commissioner Hall to approve the minutes of the Port Expansion Committee. Motion approved by the following vote: AYES:** Commissioners: Sam N. Gregorio, Roy Griggs, Walter O. Bigby, Jr., James D. Hall, Capt. Thomas F. Murphy and Steve Watkins. **NAYS:** 0. **ABSENT:** Rick C. Prescott, Erica R. Bryant and James L. Pannell. **ABSTENTIONS:** 0.

**Marketing Committee Report of January 8, 2018:** Commissioner Prescott called the Marketing Committee meeting of January 8, 2018 to order at approximately 12:00 p.m. in the Board Room at the Regional Commerce Center.

Commissioner Griggs led the Pledge of Allegiance.

Commissioners present: Sam N. Gregorio, Rick C. Prescott, Roy Griggs, Walter O. Bigby, Jr., Erica R. Bryant, James D. Hall, Capt. Thomas F. Murphy and Steve Watkins. A quorum was present.

Commissioner Gregorio called for introduction of guests: Steve Melvin, EJES; Tyler Comeaux, Burk- Kleinpeter; Mark Jusselin, TRC Engineers and Ty Scroggins, Scroggins Consultants. Staff members: Eric England, Danyne Malone, Brenda Levinson, Hugh McConnell, Gloria Washington, Kathy French, Rick Nance, and Hettie Agee.

Commissioner Gregorio called for Public Comments on Agenda Items. Hearing none, he called on Brenda for Potential Customers/Projects. She continued with the customer update on Ronpak, Pratt, Calumet, ADS Logistics and Ternium.

On another industry merger, at our Intermodal Yard we have a company called Fairmount Minerals who is in the process of merging with Unimim. They're scheduled for a Port visit in January to talk with one of our tenants.

Commissioner Gregorio called on Kathy to give the Public Affairs report.

Commissioner Gregorio called on Eric for the Calendar of Activities. Eric said the calendar is in your packages.

Commissioner Prescott adjourned the Marketing Committee meeting at approximately 12:15 p.m.

**Motion made by Commissioner Gregorio to approve the Marketing Committee Meeting Minutes. Motion approved by the following vote: AYES: Commissioners: Sam N. Gregorio, Roy Griggs, Walter O. Bigby, Jr., James D. Hall, Capt. Thomas F. Murphy and Steve Watkins. NAYS: 0. ABSENT: Rick C. Prescott, Erica R. Bryant and James L. Pannell. ABSTENTIONS: 0.**

**Operations Committee Report of January 8, 2018:** The meeting was called to order by Commissioner Griggs, Chairman, at approximately 12:16 p.m., January 8, 2018 at the Regional Commerce Center Board Room.

Commissioners present: Sam N. Gregorio, Roy Griggs, Walter O. Bigby, Jr., James D. Hall, Capt. Thomas F. Murphy, James L. Pannell and Steve Watkins. A quorum was present.

Commissioner Griggs called for introduction of guests: Steve Melvin, EJES; Tyler Comeaux, Burk- Kleinpeter; Ed Walsh and Sarah McKinney, Romph Pou Agency; Mark Jusselin, TRC Engineers and Ty Scroggins, Scroggins Consultants. Staff members: Eric England, Danyne Malone, Brenda Levinson, Hugh McConnell, Gloria Washington, Kathy French, Rick Nance, and Hettie Agee.

Hearing no public comments on the agenda items, Commissioner Griggs called on Hugh for the Operations report. On our rail activity, it was down in December which is normal. Rail volume was up over 25% for 2017, up 117,000 tons from 2016. Aggregate was up 68%, 60,000 tons. Frac media was up 117%, 55,000 tons, Paper up 25% and even the soda ash and s-carb was up 11%. Really good rail year. For the year we had 582,415 tons/5879 rail cars move through the Port.

Moving on to barge activity, haven't had a lot of rain. The Corps has had funding. Oakley had 321,000 tons, 208 barges of frac media. We're excited looking into 2018. Now we've got Vulcraft, coupled with Ternium. Consistency will bring out more activity, new customers. Excited about getting a full 12 months of activity with Vulcraft. There was over 71,000 tons of coils moved between Vulcraft, Priefert and Ternium. Scrap apparently is increasing in value as well. We've loaded a couple of barges for Commercial Metals and Progress Rail. Red River Terminals loaded 40 barges of petroleum. In total, 512,000 tons moved and 313 barges.

Rick provided an update on the Redundant Water Line, ADS Warehouse Expansion, North Satellite Rail Yard, Phase I and II, and the Fender Rehab.

Eric said at the Personnel Committee meeting last month we discussed an RFP for the Organizational Assessment and Efficiency Study RFQ/P. In your packages is a draft of that RFP/Q. You can take a look at it and let us know any feedback or comment you have. Our goal would be to place it on the agenda next week for authorization to issue it. Eric also provided an update on the Security Consultant RFQ/P.

Hearing nothing else to come before the Board, Commissioner Griggs adjourned the meeting at approximately 12:42 p.m.

**Motion made by Commissioner Griggs to approve the Operations Committee Meeting Minutes. Motion approved by the following vote:** AYES: Commissioners: Sam N. Gregorio, Roy Griggs, Walter O. Bigby, Jr., James D. Hall, Capt. Thomas F. Murphy and Steve Watkins. NAYS: 0. ABSENT: Rick C. Prescott, Erica R. Bryant and James L. Pannell. ABSTENTIONS: 0.

**Employee Benefits:** Mr. England gave a presentation referring to his memo giving a summary in their binders. Beginning March 1, 2018 all employees will participate in the cost of Major Medical. Beginning in March, employees will ramp up their contributions by 1/10 such that by December, they will be matching with a full 10%. We also propose is to no longer offer life insurance from MetLife. We will research whether or not this same life insurance plan can be offered via the Port's "Cafeteria Plan". In summary, you'll see the savings to the Commission. In keeping with the motion that was adopted at the November '17 Special Board Meeting, this will be realized in December of this year -\$45,600 for Major Medical, \$5,800 for life insurance bringing a total of \$51,400.

**Motion made by Commissioner Hall, seconded by Commissioner Watkins to approve the recommendation. Motion approved by the following vote:** AYES: Commissioners: Sam N. Gregorio, Rick C. Prescott, Roy Griggs, Walter O. Bigby, Jr., James D. Hall, Capt. Thomas F. Murphy and Steve Watkins. NAYS: 0. ABSENT: Erica R. Bryant and James L. Pannell. ABSTENTIONS: 0. That passes.

#### **NEW BUSINESS:**

**Nominating Committee:** Chairman Commissioner Murphy presented the following slate of officers for 2018: President, Rick C. Prescott; Vice President, Roy Griggs, for Secretary-Treasurer, Walter O. Bigby, Jr. Unless there are nominations from the floor, I move the nominations be closed and the slate of officers be elected for 2018.

**Motion made by Commissioner Murphy, seconded by Commissioner Hall, to approve the 2018 slate of officers of the Caddo-Bossier Port Commission. Motion approved by the following vote:** AYES: Commissioners: Sam N. Gregorio, Rick C. Prescott, Roy Griggs, Walter O. Bigby, Jr., James D. Hall, Capt. Thomas F. Murphy and Steve Watkins. NAYS: 0. ABSENT: Erica R. Bryant and James L. Pannell. ABSTENTIONS: 0.

**General Fund & Capital Operations Certifications:** Mr. England said this certification document is recommended for adoption. (to be published in the Shreveport Times)

**Motion made by Commissioner Hall, seconded by Commissioner Griggs to approve the recommendation by Mr. England. Motion approved by the following vote:** AYES: Commissioners: Sam N. Gregorio, Rick C. Prescott, Roy Griggs, Walter O. Bigby, Jr., James D. Hall, Capt. Thomas F. Murphy and Steve Watkins. NAYS: 0. ABSENT: Erica R. Bryant and James L. Pannell. ABSTENTIONS: 0.

**RFQ/P Organizational Assessment:** Mr. England said this draft RFQ/P for Organizational Assessment was distributed last week.

**Motion made by Commissioner Prescott, seconded by Commissioner Bigby to approve the RFQ/P Organizational Assessment. Open for discussion:** Commissioner Watkins I would like to reiterate what I stated at the Personnel Committee meeting. I really feel this is a waste of Commission money. I think Eric has already done the work on this. He has it available. I don't see why we need to go out and spend money for a consultant to tell us how to assess 12-13 folks in the office. I think we have that ability to do that in house. **Motion approved by the following vote:** AYES: Commissioners: Sam N. Gregorio, Rick C. Prescott, Roy Griggs, Walter O. Bigby, Jr., James D. Hall and Capt. Thomas F. Murphy. NAYS: Steve Watkins. ABSENT: Erica R. Bryant and James L. Pannell. ABSTENTIONS: 0. It passes with one Nay vote.

#### RESOLUTION NO. 1 OF 2018

##### BY THE CADDO-BOSSIER PARISHES PORT COMMISSION:

A RESOLUTION REQUESTING THE LOUISIANA DEPARTMENT OF NATURAL RESOURCES, OFFICE OF THE STATE MINERAL AND ENERGY BOARD, TO LEASE CERTAIN MINERAL INTERESTS OWNED BY THE CADDO-BOSSIER PARISHES PORT COMMISSION AND AUTHORIZING THE BOARD TO EXECUTE SUCH LEASES AND ALL DOCUMENTS RELATIVE TO SAME, AND TO OTHERWISE PROVIDE WITH RESPECT THERETO

WHEREAS, the Caddo-Bossier Parishes Port Commission (the "Commission" or "Lessor") owns mineral rights underlying the property described in Exhibit "A" (collectively "the property"); and

WHEREAS, the Commission desires the Louisiana Department of Natural Resources, Office of the State Mineral and Energy Board (the "Board"), to lease, on its behalf, its interest in the property for oil, gas and other minerals subject to the conditions contained herein; and

WHEREAS, pursuant to La. R.S. 30:151, et seq., the Commission, may, by resolution, direct the Board to lease the Commission's interest in the property for such purposes; and

WHEREAS, the Commission desires to avail itself of the provisions of the aforesaid statutes and by this resolution requests the Board to lease the property for oil, gas and other minerals subject to the conditions contained herein, and in accordance with applicable provisions of Louisiana law.

NOW, THEREFORE, BE IT RESOLVED by the Caddo-Bossier Parishes Port Commission in due, regular and legal session convened that the Louisiana Department of Natural Resources, Office of the State Mineral Energy Board, be and is hereby requested and authorized to seek public bids for oil, gas and mineral leases covering the properties described in Exhibit "A", attached hereto and made a part hereof, to evaluate the bids received and accept the best bid, and to execute the oil, gas and mineral lease or leases on behalf of the Commission.

BE IT FURTHER RESOLVED that any error in any legal description contained in Exhibit "A" which may be discovered by the Board or its staff during its review of the application which is subsequently corrected, provided such irregularities do not materially change the property being herein authorized for lease, shall not affect any authorization granted or conveyed herein and the Board is hereby authorized to advertise and subsequently lease the said property as correctly described.

BE IT FURTHER RESOLVED, that any such lease shall contain a provision requiring minimum royalty payments to the Lessor of not less than one-fourth or twenty five (25%) percent, free of all charges and costs whatsoever including, but not limited to, production, compression, cleaning, dehydration, metering, detoxification, transportation, accounting and marketing.

BE IT FURTHER RESOLVED, that any such lease shall contain a provision requiring minimum bonus payments to the Lessor of not less than Two Thousand Five Hundred and No/100 (\$2,500.00) Dollars per acre.

BE IT FURTHER RESOLVED, any such lease shall cover only oil, gas condensate, and other hydrocarbons normally produced in association with oil and gas.

BE IT FURTHER RESOLVED, that anything in any such lease to the contrary notwithstanding, no surface operations, including but not limited to, road construction, fracturing operations, drilling operations, seismic activity or excavation operations, shall be conducted on the leased lands, without the express written approval of the Lessor.

BE IT FURTHER RESOLVED, that any such lease shall contain a "Pugh Clause", as provided in the current state agency lease form.

BE IT FURTHER RESOLVED, the Lessee of any such lease, upon receiving thirty (30) days written notice from the Lessor, agrees to supply the Lessor all data and information obtained from tests including, but not limited to, seismograph reports, electric logs, core analysis, drill stem test data and reservoir engineering studies. The Lessor of such lease agrees to keep any data or information provided by the Lessee in strict confidence.

BE IT FURTHER RESOLVED, the Lessee of any such lease agrees to indemnify, save and hold harmless the Lessor from and against any liability for damage to property or injury to persons, including death, or claims thereof, sustained as a result of the Lessee's operations on or associated with the leased lands.

BE IT FURTHER RESOLVED, that any such lease shall contain provisions relative to shut-in payments, deferred development payments, delay rental payments and other similar payments provided in the current state agency lease form.

BE IT FURTHER RESOLVED, that any such lease shall provide certain provisions related to data and information obtained from tests and drilling including, but not limited to, seismograph reports, electric logs, core analysis, drill stem test data and reservoir engineering studies in accordance with the current state agency lease form with all applicable riders appended thereto.

BE IT FURTHER RESOLVED, that the primary term of any such lease shall be three (3) years.

BE IT FURTHER RESOLVED that any provision or item of this resolution or the application thereof is held invalid, such invalidity shall not affect other provisions, items or applications which can be given effect without the invalid provisions, items or applications, and to this end, the provisions of this resolution are hereby declared severable.

BE IT FURTHER RESOLVED that all resolutions or parts thereof in conflict hereby are hereby repealed.

Approved as to legal form and content:

/s/ Dannye W. Malone  
Dannye W. Malone  
Director of Legal Affairs

January 18, 2018  
Date

/s/ Roy Griggs  
Roy Griggs, Secretary-Treasurer  
President

/s/ Sam N. Gregorio  
Sam N. Gregorio,

**Motion made by Commissioner Hall, seconded by Commissioner Griggs to approve Resolution No. 1 of 2018. Open for discussion,** Commissioner Gregorio said are we comfortable that the Mineral Board will include the provisions that we want in there. Dannye said definitely. **Motion approved by the following vote:** AYES: Commissioners: Sam N. Gregorio, Rick C. Prescott, Roy Griggs, Walter O. Bigby, Jr., James D. Hall, Capt. Thomas F. Murphy and Steve Watkins. NAYS: 0. ABSENT: Erica R. Bryant and James L. Pannell. ABSTENTIONS: 0. That passes.

**North Satellite Rail Yard Improvements (Phase II) Project Change Order:** Mr. England said we propose a Change Order with North American Railway in the amount of \$48,800 which will allow us additional flexibility in handling unit train shipments.

**Motion made by Commissioner Hall, seconded by Commissioner Griggs to approve the recommendation. Motion approved by the following vote:** AYES: Commissioners: Sam N. Gregorio, Rick C. Prescott, Roy Griggs, Walter O. Bigby, Jr., James D. Hall, Capt. Thomas F. Murphy and Steve Watkins. NAYS: 0. ABSENT: Erica R. Bryant and James L. Pannell. ABSTENTIONS: 0. That passes.

**Port Director's Report:** Mr. England said March 8, 2018, Thursday night, is Port Night. I want to congratulate the new officers and tell them how much I look forward to working with them.

**ADJOURNMENT:** Commissioner Gregorio said before we adjourn I would just like to say this is the end of my two years as President. I've really enjoyed working with the Board and the staff. I've been very pleased with the efficiency and effectiveness of the Port and its operations. We've had some great events during these years. We've had tax renewal; we have an ongoing land expansion; we've set up three reserve funds for economic development and infrastructure. Such produces a nice future with the tax base, the land. This year we've got

\$2.2 million dollars of income over and above what we anticipated. We did all this while wrestling with floods and river shutdowns. We've had audits, both internal and external, that have always been in flying colors so that our operation is being run properly. We've done this with increased business for steel products on the River. I could go on with the list but that's enough for right now. I've enjoyed it; I've enjoyed working with each and every one of y'all and I've been pleased with the results of the Port. Thank you very much.

That concludes our meeting; we stand adjourned at 4:52 p.m.

Respectfully submitted,

Roy Griggs  
Secretary-Treasurer

### **February Meetings**

#### **Regular Board Meeting, Thursday, February 15, 2018 4:30 p.m.**

Port Expansion Committee Meeting, Thursday, February 15, 2018 3:30 p.m.

Executive Committee Meeting, Monday, February 5, 2018 10:00 a.m.

Marketing and Operations Committee Meetings, Monday, February 5, 2018, 12 Noon  
Regional Commerce Center, 6000 Doug Attaway Blvd, Shreveport, LA 71115