

Golden Triangle Business Roundtable (GTBR)

Minutes

January 20, 2004

Walter Almon called the meeting to order and welcomed the 156 members, subscribers and guests in attendance. Walter also recognized plant managers and distinguished guests.

Committee Reports:

Walter Almon – Construction Industry Institute (CII)

Walter reported that the written skills assessments are becoming well established, and that the contractors are preparing for the hands on assessments as set by the NCCER. More information will follow. The committee that worked on skills assessments has done an outstanding job.

John Durkay – Legal:

The New Hampshire Primary is approaching. John is continuing to track the proposed rules changes for white-collar exemptions. He stated that this would probably affect some of the member organizations. Two to three million white-collar employees will become non-exempt. The Fair Labor Standards Act is something you should pay special attention to.

Pat Avery – Safety Committee

Pat reported that the committee held its first meeting of the year with Russell Melancon and John Durkay providing an update on background checks. The committee scheduled the date for the Safety Awards Banquet for Tuesday, August 31, 2004. The February meeting topic will be the OSHA VPP Program. The committee will schedule their March safety awards audit training session at the February meeting.

Program:

Walter introduced Hermie Bundick, Director of JCO Operations at Huntsman Corporation. Mr. Bundick's presentation covered who Huntsman is, what Huntsman is in the county and what some of the critical issues in the industry are.

Huntsman is the largest privately held chemical company in the world. They manufacture basic chemicals for supporting industries such as automotive, aviation, textiles, healthcare and agricultural. They supply materials for packaging and operate in thirty countries with an annual revenue of nine billion dollars. They put a strong emphasis on safety and environmental issues.

They have four plants on three sites. They are one of the largest taxpayers in Jefferson County.

Two issues facing the industry and affecting Huntsman are utilization of MTBE as a gasoline additive and fuel price fluctuations. Mr. Bundick stated that the United States needs an energy policy to help stabilize prices. It would help industry thrive and survive. He sees 2004 showing recovery in the industry and Huntsman intends to stay in the county, they plan to be a place of revenue and provide value to their owners.

Mr. Bundick introduced Dave Maneman, Plant Manager of Calabrian Chemicals Corporation. Calabrian produces chemicals for the treatment of water. They produce liquid sulfur dioxide as well as other liquids and dry products. Customers needs vary depending on what the PH is and what their demands are. Calabrian is the largest producer of sulfur dioxide in North America. They also produce a full spectrum of liquid-

dry high and low pH products and are an operative producer. They are privately owned and are aggressively working to expand all their product lines. Several of their products are thirty to forty percent solution. Three and a half years ago Calabrian operated with sixteen railcars and today they operated two hundred fifty rail cars and five terminals around the country. Currently they are adding a second expansion. Their process is unique in several ways. Base products for raw materials are oxygen and sulfur. They utilized caustic soda to produce products. Everything is enclosed and no air is discharged. This makes for a nice compact plant. They recover all of their process water with no water discharges from the plant. One of problems facing this industry is energy cost. They use natural gas for the drying process and electricity. Raw materials are oxygen and caustic and both are very energy sensitive. Mr. Maneman expects 2004 to be a good year.

Mr. Maneman introduced Wouter Raemdonck, Plant Manager with ATOFINA Petrochemicals, Inc. Wouter reported that crude prices are above \$30 and fluctuating. Chemicals are not out of their cycle dip. Refining followed the world trend. Safety results were good with recordables around one. Investments were good with the construction of a new dock and gasoline hydrotreater.

Wouter expects crude prices to remain strong in the future. Refining margins can strengthen but will be influenced by stringent specifications for gasoline and diesel. Stringent specifications will necessitate more investments in hydro treating. ATOFINA will also renovate their docks spending about twenty five million.

Wouter pointed out that this area is ruled by mosquitoes, mold and Spanish moss and is rich beyond measure with industry. Three threats to that industry are reliable power, efficient administration and Tort law reform. Successful mergers can reduce overhead and one day he hopes it might reduce taxes. Industry can make sure that it doesn't worsen the environment and maintains a good image. Wouter believes this area is a prime location to refine with great coastal access and an excellent workforce where people know their jobs. This region has all the trumps to continue to build and prosper.

Meeting adjourned.