

West Calcasieu Port Board Meeting Minutes

October 6, 2020

I. Call to order

President Dick Kennison called to order the regular meeting of the West Calcasieu Port at approximately 3:02 p.m. on October 6, 2020, at 2244 Swisco Road, Devall Building, Sulphur, Louisiana.

II. Invocation

President Dick Kennison led the invocation.

III. Pledge of Allegiance

Pledge led by Lynn Hohensee and recited by all board members and guests.

IV. Roll call

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

- ✓ Dick Kennison
 - ✓ Wilmer Dugas
 - ✓ Tim Dougherty
 - ✓ Scott Foreman
- (Buddy Reams was absent.)

(Others also present at the meeting were: Lynn Hohensee, Byron Racca, Darla Perry, Glen James, Donald Brinkman and Sheila Burton.)

V. Approval of minutes of the August 4, 2020 regular monthly

President Dick Kennison entertained a motion to approve the minutes of the August 4, 2020 regular monthly meeting. A motion was made by Wilmer Dugas to approve the minutes of the August 4, 2020 regular monthly meeting, 2nd by Scott Foreman. No opposition. Motion carried.

VI. Amendments, additions and deletions to the proposed agenda

There were no amendments, additions or deletions to the proposed agenda.

VII. Discuss and approve emergency declaration for Hurricane Laura

Darla Perry announced that on September 11, 2020, the Board took a poll that was unanimous, that an emergency declaration be approved for signature by the board president. Darla stated the declaration will be uploaded on the website.

VIII. Discuss and take action on any lease agreements needed (Gates Fueling/Devall/CGBM)

Glen James said he doesn't have all of the details on the lease. Port Director Lynn Hohensee reported that according to the letter of intent Gates Fueling has with the Port, they are going to occupy the barge space directly to the west of the loading ramp. Lynn stated it will be a daily fleeting fee to the Devalls. Once the old S.T.A.R. Concrete building is repaired, Gates Fueling will begin leasing that building and will also use Water Meter #8 to purchase water from the Port. Darla Perry told the Board that once Gates Fueling sells 107,000 gallons of fuel, the Port will begin to receive 3 cents per gallon on every gallon above that amount per month. Darla also explained that the lease amount for the S.T.A.R. Concrete building will be \$3500 per month. Lynn added that the \$3500 lease amount will not be on their monthly invoice until they are able to occupy and use the building.

Lynn told the Board they are going to allow Gates Fueling to place a temporary trailer on the concrete pad on the side of the building until the building repairs are completed. Darla clarified with Lynn that the fuel revenue will begin October 1.

Glen James asked if this was going to be a lease similar to the Tauber Oil lease. Darla said they sent a master service agreement for the fuel portion. Lynn asked Glen if he had seen the agreement; and Glen answered, "No." There was a brief discussion regarding the master service agreement. President Kennison asked Mr. James if he needed the Board to ratify the lease agreement. Mr. James answered, "Yes." Wilmer Dugas made a motion to ratify the lease agreement with Gates Fueling, 2nd by Tim Dougherty. No opposition. Motion carried.

Lynn announced that CGBM took their 5-year option to renew the lease agreement beginning September 1, 2020, for the green house, 2 acres and the small warehouse building on the north side. Lynn explained they are not being charged for the linear footage on the waterfront since it is not available for their fueling barge. President Kennison asked whether they have a fueling barge there at the site. Lynn answered they do not have one at that location. There was a brief discussion regarding CGBM's lease. Darla confirmed that CGBM's lease renewal began September 1, 2020; and the rent amount is \$7,000 per month. President Kennison asked Mr. James if any board action needed to be taken regarding CGBM's lease. Mr. James stated since the lease isn't being amended in any way, no board action needed to be taken.

Darla announced to the Board that Devall is using the yellow house for a temporary office. It was agreed to charge them \$1500 per month on a month-to-month basis. Lynn explained how Devall lost their dispatch office by the east fleet due to the hurricane. Mr. James asked what their obligations will be, besides the monthly rent. Darla answered they will be responsible for insurance. Darla told the Board Devall's rental began September 11, 2020.

President Kennison entertained a motion to approve the lease agreement with Devall for \$1500 per month, on a month-to-month basis. Tim Dougherty made a motion to approve the lease agreement with Devall for \$1500 per month, on a month-to-month basis, 2nd by Scott Foreman. No opposition. Motion carried.

IX. Discuss and take action on contract for program/grant administration for Hurricane Laura repairs

Port Director Lynn told the Board the Tenant Committee met before the meeting today, and a couple issues came up. Lynn stated it has been eleven days since the insurance inspector was at the port, and there is still no word as to the extent of the coverage and what will be covered under the insurance. Lynn explained the Port has an existing 90-day emergency contract with CSRS. Donald Brinkman told Lynn they do not have a signed contract. Darla stated she has a contract, but she doesn't have a signature copy. Darla asked Mr. Brinkman to check with his office to see what they have on file. Mr. Brinkman told the Board with or without the contract, they have been helping the Port. There was a brief discussion regarding the emergency contract with CSRS.

Lynn announced since they do not have the insurance, they are going to delay making a decision on a contract for the grant/program administration for a couple weeks on the Hurricane Laura repairs at the port.

Mr. Brinkman told the Board that they do not show the contract was signed. Darla stated the Port orally and emailed a confirmation they would sign the contract; so, it needs to be consummated.

Lynn explained to the Board they went out for a request for proposal for companies such as CSRS and others that do this kind of work, that would work with State and Federal agencies, to help recovery efforts from Hurricane Laura. Lynn said they have since learned the State is coming in and competing with the private companies for the same type work. Lynn stated Darla has repeatedly approached GOHSEP and they said they cannot do anything until they get approval from FEMA and FEMA isn't giving any approvals right now. Donald Brinkman gave a brief explanation of the State's role in competing with private companies like CSRS. Darla Perry suggested putting a committee together. President Kennison recommended having the members of the Tenant Committee discuss all of the options, have Darla meet with the insurance company, and review the contract with CSRS to get things moving forward. There was further discussion regarding the State and GOHSEP.

President Kennison entertained a motion to defer taking action for a couple weeks on contract for program/grant administration for Hurricane Laura repairs to allow the Tenant Committee to meet and then make a recommendation to the Board. Wilmer Dugas made a motion to defer taking action for a couple weeks on contract for program/grant administration for Hurricane Laura repairs to allow the Tenant Committee to meet and then make a recommendation to the Board, 2nd by Tim Dougherty. No opposition. Motion carried.

X. Discuss and appoint committee to review annual contracts

It was decided to table this item at this time.

XI. Election of Officers for coming year

There was a brief discussion regarding election of officers. Wilmer Dugas made a motion to keep same slate of officers for year 2020-2021, 2nd by Scott Foreman. No opposition. Motion carried.

XII. Committee Reports

There were no committee reports given at this time.

XIII. Port Director Report

Port Director Lynn Hohensee introduced Byron Racca, the new temporary port engineer. Lynn explained Chuck Stutes will be unable to take care of port engineer duties since he will be in charge of rebuilding all of McNeese campus. Lynn welcomed Mr. Racca to the meeting.

Lynn encouraged board members to go out to the port to see the storm damage and the repairs and upgrades being done to the electrical system all along Highway 27. Lynn announced the new entrance road into the port is finished, and Nash Fence put in the fencing about a week ago. Lynn said the grass has been seeded, and the striping has been completed. Lynn stated the feedback he has received from the tenants is that they are thoroughly pleased with it.

Lynn explained the items still needing to be done are the gate at the front entrance, relocation of the port sign, and lighting needs to be placed on the road coming into the port. Lynn told the Board McManus Construction moved some of the vegetation and scrap metal debris from some of the buildings, ditches, and alongside the road and placed it in an area near the road where it will be picked up by whomever the Port designates, that is approved by FEMA. Lynn said there are a lot of tree limbs and fallen vegetation around the port property that still need to be picked up. President Kennison asked if anyone from the Port has approached the Parish about debris pickup. Lynn said no because it isn't a parish road, and the port isn't parish property. President Kennison suggested speaking with Police Juror Joe Andrepoint to see about getting some help. Lynn explained FEMA wants 3 proposals submitted, but the Port will not be moving forward until they receive guidance from CSRS. There was a brief discussion regarding debris removal.

Lynn announced there were 4 buildings at the port that were damaged by the storm: VLS building, old Devall diesel building/Devall warehouse, the green house and the yellow house. Lynn briefly described the damage to the buildings and surrounding areas. There was a brief discussion about the damaged areas.

Lynn suggested putting together another master plan to show the future vision for the port moving forward after repairs are done. Lynn said the Tenant Committee will put together some ideas for the Board, and then the Board can have a half-day retreat to go over the ideas.

Tim Dougherty asked for clarity about the cleanup of debris. There was a brief discussion regarding FEMA and the debris cleanup process.

{NOTE: The following report is a copy of the original sent out by Lynn Hohensee.}

Marketing/Business Development/Retention –

- Hurricane Laura has had an impact on the port's marketing program, although the port tenant committee has reviewed/approved a proposal to receive a new tenant – Gates Fueling, a wholly owned subsidiary of Florida Marine Transport, one of the largest clients of Devall Towing. Emergency board approval (under Declaration of Natural Disaster) was given for the new tenant. The port attorney is preparing a draft of the lease agreement.
- During September and despite the COVID-19 pandemic and the aftermath of Hurricane Laura, West Calcasieu Port tenants have continued with much of their respective operations with a priority for health/safety.
- Devall Fleeting operations continue to report daily barge fleeting numbers between 99-110. Overall, inland marine transportation business in SW La. has slowed following the hurricane.
- Atlantic Equipment continues to relocate scaffolding and support materials from the acre that it has leased east of the port entrance road to within its two-acre fenced leased area.
- Port remains in contact with Stream Land Services. Stream is interested in establishing an auxiliary dredge spoil pump station on port land that will support the movement of spoils by pipeline from the proposed Driftwood LNG Export Terminal site to beneficial use spoil reception areas west of the port. SLS also is interested in leasing the yellow house near the shoreline. Tellurian also is interested in possibly establishing a staging site at the port for pipe during installation of the pipeline. Interest for the site of the pump station remains focused on a two port locations.
- Marketing efforts continue to find a replacement tenant for the Orion waterfront lease area. I've had contact with Matson Construction re: use of one of the former Orion slips for a survey vessel (40-foot with 5-foot draft) while the USACE is dredging near Devil's Elbow.
- Entergy has contacted the port to offer a digital communications effort to assist the port with marketing activity. A presentation on the offering is tentatively planned for an upcoming WCP board meeting.
- The port director was located in Texas hotels for 26 days as the result of Hurricane Laura and its impact on power and potable water. During that time, efforts to remotely address port-related business was maintained. participated in a series of tele-meetings and webinars designed to share

Port Operations –

- The port director and port CPA have been in contact with FEMA representatives re: post-hurricane federal recovery assistance and have participated in a FEMA Exploratory Call and also will participate in an Oct. 20th Recovery Scoping Meeting.
- Given the magnitude of work associated with post-hurricane FEMA and GOHSEP recovery support, the port tenant committee decided to publish a Request for Proposals (To Provide Hurricane Recovery & Grant Management Services). The port is requesting final proposals be submitted no later than Oct. 5 so that the board can make a selection on Oct. 6.
- Insurance adjuster arrived at the port on Sept. 25 and spent several hours inspecting damages to 4 port buildings – Green House, Yellow House, old STAR building (that will be leased to Gates Fueling) and the VLS Marine Services Building.
- While the insurance adjuster did not devote any of his time to the water assets of the port, the port tenant committee contends that there must have been some impact from the hurricane on the water depths of the waterfront basins, slips and shoreline.
- Electrical power from Entergy (including 3 Phase) was restored to the port on Sept. 27 – one month following the hurricane hitting land.

- Port tenants return their operations to as near normal as can be expected post Laura. Some that needed electrical power support brought in portable generators.
- The port staff (led by our CPA) continues to work with the Economic Development Administration, the EDA project administrator firm and an engineering firm to facilitate project development for the construction of new bulkhead and heavy-duty crane pad. CSRS serves as administrator, and Meyer & Associates serves as project engineer.
- McManus Construction of Lake Charles continues to make impressive progress with the construction on the port's new entrance roadway. Currently, they and their associated firms are constructing security fencing and an entrance gate, seeding ditches and roadside with grass and preparing to stripe the roadway. The road currently is being used, and the old port gate is closed.
- The port is partnering with CGBM to arrange for dredging of the waterfront of the green house on a short-term basis.
- The port is working with VLS Marine Services on a dredging operation plan to alleviate the silting conditions in their slips east of the barge loading ramp. This effort has been delayed until another sounding of the west barge basin is taken to determine the impact of Hurricane Laura.
- Coordination of repairs to the barge loading ramp are currently in legal development between the port and the responsible party re: projected repair costs. Outside counsel is assisting with the matter.

Professional Organizations & Networking –

- In September, the WCP director (and/or board members) represented the port at:
 - a. PAL executive committee meeting via Go to Meeting online and the PAL monthly board meeting.
 - b. USCG conference calls for the regional maritime community before/after Tropical Storm Beta.

News Media & Community Relations–

- Ongoing media relations continue through the Lake Charles Ad/Press Club and other networking opportunities.

Wilmer Dugas made a motion to accept the Director's Report as presented, 2nd by Tim Dougherty. No opposition. Motion carried.

XIV. Announcements/Reports (Legal, Financial, Engineer)

LEGAL: There was no legal report given at this time.

ENGINEER: Byron Racca reported the entrance road project finished up today. There will possibly be a substantial inspection next week. Byron said they did a good job.

Byron also reported they are working on design for the bulkhead project. Once that is done, they will begin on the dredging. Darla Perry confirmed that is the EDA-funded project.

Tim Dougherty asked whether the Port will be able to do some dredging in the areas that needed cleaning out before the storms. President Kennison stated until the debris is cleared and they get approval from the Parish, FEMA or the Corps, nothing can be touched. There was a brief discussion about FEMA and the silting issue.

President Dick Kennison entertained a motion to accept the Engineer Report as presented. Tim Dougherty made a motion to approve the Engineer Report as presented, 2nd by Scott Foreman. No opposition. Motion carried.

FINANCIAL: Darla Perry reported the barge days are 1,369 more days over the last two months compared to July and August last year. There were 9,401 barge days for July and August, 2020. Cash flow totaled \$261,084.07. Darla explained the unusual amounts of \$169,698.75 from the balance of the CPPJ grant that Francis Andrepont helped the Port obtain and \$56,408.62 from DOTD.

Darla stated the unusual expenses were the security deposit given back to S.T.A.R.; the 25 acres of land that the Port bought for \$215,034.50; IMCAL dues, \$3,000; port entrance road, \$167,341.36. Darla also reminded the Board there were no Devall payments in the month of August. Darla said she is working on the audit and some records FEMA still needs regarding Hurricane Rita.

Port Director Lynn Hohensee told the Board several property owners suffered severe damage on the privately-owned property north of the port, and he does not know whether all of them will be moving back or what the outcome will be. Lynn stated this may be an opportunity for the Port to purchase the land, if the owners are interested in selling. Darla asked Glen James to create a list of owners that the Port could approach when the time comes to make an offer. Mr. James agreed to take care of it.


President Dick Kennison entertained a motion to approve the Financial Report as presented. Tim Dougherty made a motion to approve the Financial Report as presented, 2nd by Scott Foreman. No opposition. Motion carried.

XV. Public Comments

There were no public comments given at this time.

XVI. Adjournment

President Dick Kennison adjourned the meeting at approximately 3:59 p.m.



President



Secretary



West Calcasieu Port

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Declaration of Extreme Emergenc

An extreme emergency exists due to the impact of Hurricane Delta to the Port and appropriate action must be taken by the Executive Director to address such emergency, as defined by applicable law, including, but not limited to, repairs and modification of Port facilities and construction of new facilities to accommodate shippers and cargoes.

WHEREAS, Hurricane Delta struck Southwest Louisiana on Friday, October 9, 2020, with devastating force and caused extensive, widespread damage to the area and specifically to the West Calcasieu Port, and further exacerbated the damage already caused by Hurricane Laura weeks earlier; and

WHEREAS, by proclamation dated October 6, 2020, Governor John Bel Edwards has declared a state of emergency for the State of Louisiana due to the events surrounding Hurricane Delta; and

WHEREAS on October 7, 2020, President Donald Trump has approved a major disaster declaration for the State of Louisiana due to the events surrounding Hurricane Delta; and


WHEREAS, the Executive Director, acting on behalf of the Board of Commissioners has determined that due to this extreme emergency, immediate measures must be undertaken to accommodate immediate repairs and that such efforts will require the suspension of normal public bid law procedures for construction of certain facilities and purchase of certain supplies and materials; and

WHEREAS, the Board of Commissioners has authorized and directed the Executive Director to take all appropriate and lawful steps to address the needs of the Port, its staff, its tenants, and other cargoes affected by the damage inflicted by Hurricane Delta.

NOW, THEREFORE, IT IS DECLARED AND CERTIFIED BY THE EXECUTIVE DIRECTOR, ON BEHALF OF THE BOARD OF COMMISSIONERS OF THE WEST CALCASIEU PORT THAT:

SECTION 1: All of the foregoing introductory provisions are hereby made a part of this declaration and the undersigned, as Executive Director, on behalf of the Board of Commissioners of the West Calcasieu Port hereby declares that an extreme emergency, as defined by applicable law, exists due to the events surrounding Hurricane Delta and, therefore, I, Lynn Hohensee, Executive Director, shall take all appropriate steps, including, but not limited to, the construction, repair, modification of properties and facilities without implementing normal public bid law procedures, and to further take all appropriate and lawful steps to accommodate shippers and cargoes impacted by Hurricane Delta. All action taken by the undersigned Executive Director pursuant to this declaration shall be done in full consultation with the Board of Commissioners and the Executive Director shall, to the maximum extent practicable, keep the Board of

Commissioners fully and completely apprised of all actions and steps undertaken pursuant to this resolution. **THUS DECLARED** at Lake Charles, Louisiana, on this 13th day of October, 2020.



Lynn Hohensee, Executive Director