

## West Calcasieu Port Board Meeting Minutes

November 5, 2019

### **I. Call to order**

President Dick Kennison called to order the regular meeting of the West Calcasieu Port at approximately 3:34 p.m. on November 5, 2019, at Devall Enterprises, 2244 Swisco Road, Sulphur, Louisiana.

### **II. Invocation**

Dick Kennison led the invocation.

### **III. Pledge of Allegiance**

Pledge led by Tim Dougherty and recited by all board members and guests.

### **IV. Roll call**

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

- ✓ Dick Kennison
  - ✓ Tim Dougherty
  - ✓ Wilmer Dugas
- (Dave Aguillard and Scott Foreman were absent.)

(Others also present at the meeting were: Lynn Hohensee, Darla Perry, Glen James, Chuck Stutes, Sheila Burton and Dalton Langford.)

### **V. Approval of minutes of the October 1, 2019 regular monthly meeting**

President Dick Kennison entertained a motion to approve the minutes of the October 1, 2019 regular monthly meeting. A motion was made by Wilmer Dugas to approve the minutes of the October 1, 2019 regular monthly meeting, 2<sup>nd</sup> by Tim Dougherty. No opposition. Motion carried.

### **VI. Amendments, additions and deletions to the proposed agenda**

President Kennison announced that Item VII will be deleted from the agenda and will be added to the agenda for the December meeting.

**VIII. Discuss and take action: Update on Capital Outlay Requests and Port Priority application including any required Board Approvals, Resolutions or Actions (Meyer & Associates)**

Chuck Stutes explained the annual applications are due November 1<sup>st</sup> and were actually submitted on either October 30<sup>th</sup> or 31<sup>st</sup>. Chuck gave a brief rundown of the applications for the new bulkhead along the Gulf Intracoastal Waterway and for new property along the Gulf Intracoastal Waterway in the immediate vicinity of the port. Chuck stated the Commissioner of the Administration, along with the Governor and Office of Facility Planning, will come up with a list of approved projects that will go before the Legislature at the next legislative session in either April or June of next year.

Chuck stated the next part is the port priority application. Chuck passed out copies of the Resolution. Chuck explained that he and Darla are currently working on the application that will go to the DOTD under the port priority projects. The deadline is December 1<sup>st</sup>. Chuck said after reviewing several options, it was decided the most important project is the dredging that was related to the EDA project for the new bulkhead that was not covered by the EDA grant. Chuck said they are doing a request to Port Priority Project to cover that dredging along with some additional dredging to the east of that and some shoreline protection where the CGBM barge operation is going to go on the new property. Chuck estimates it will be in the range of \$1.5 million construction cost and \$1.8 million project cost. Darla explained the State will pay 90% of construction cost. Chuck suggested reading the Resolution to the Board and then adopting the Resolution. Chuck explained the Resolution will be submitted along with the application.

President Kennison read the following Resolution into the minutes:

“A Resolution authorizing the West Calcasieu Port to prepare and submit an application to the Louisiana Port Construction and Development Priority Program for assistance in the implementation of a port improvement project; providing for the necessary documentation of the need for the port improvement; and providing for other matters in connection therewith.

“WHEREAS, West Calcasieu Port has a need for port improvements; and

“WHEREAS, West Calcasieu Port desires to apply for State matching funds pursuant to Chapter 47 of Title 34 of the Louisiana Revised Statutes of 1950s, as amended, to implement a project to improve its port operation and the West Calcasieu Port is fully aware of its obligations under said Statute; and

“WHEREAS, West Calcasieu Port is a political body duly organized and existing under the laws of the State of Louisiana and is eligible to apply for funds under said Statute,

“NOW, THEREFORE, BE IT RESOLVED by the West Calcasieu Port as follows:

“Section 1. That West Calcasieu Port acknowledges that a formal application will be prepared and submitted to the Louisiana Port Construction and Development Priority Program.

“Section 2. That at the appropriate time and upon approval of funding assistance and prior to commencement of work on the project West Calcasieu Port agrees to execute a Project Agreement and a Statement of Sponsorship pursuant to the Statute.

“Section 3. That Lynn Hohensee, Port Director is hereby designated Authorized Representative for West Calcasieu Port to effect the preparation of an application to the Louisiana Port Construction and Development Priority Program for funding assistance of a port improvement project.

“Section 4. That said Authorized Representative’s responsibilities shall pertain to technical matters only and shall not include any official act on behalf of the West Calcasieu Port.”

Tim Dougherty made a motion to adopt the Resolution as read by President Kennison, 2<sup>nd</sup> by Wilmer Dugas. No opposition. Motion carried.

**IX. Discuss and take any action: Review bid tabulation and vote on approval of contract award of New Entrance Road; State Project #H.012471**

Chuck Stutes handed out a summary of the bid tabulation of all the bids received and then the Resolution. Chuck explained they received 7 bids on October 29, 2019 for the new entrance road project. The project is funded by the Port Priority Program. Chuck told the Board two of the bids received were non-responsive. The bid by Civil Construction Company did not acknowledge the Addenda, which is required by the Public Bid Law. The bid by Prairie Contractors, they did not receive an official set of plans from Meyer & Associates, which is also required by the Public Bid Law. Out of the 7 bids, the bid by McManus Construction, LLC was the lowest at \$1,590,233.60. Chuck said they have reviewed the bids to make sure they were complete and checked all of the math to make sure it was correct.

Chuck explained that since the Port Priority Program is funding 90% of construction costs, he had to forward them a copy of the bid tabulation, copies of the bids received and the award recommendation letter to get their blessing to award the bid.

Chuck said they received word from the DOTD last Friday that they have no objection to awarding the contract. Chuck stated he has another Resolution that covers the award and is required by DOTD in their format. Darla Perry asked if they will pay 90% of the bid the Port accepts. Chuck answered they will pay 90% of the bid the Port accepts up to the maximum amount of the grant, and the grant number is around \$2.1 million with 90% of 1.3 being used already on dredging.

President Kennison read the following Resolution into the minutes:

“RESOLUTION – STATE PROJECT NO. H.012471(322)

“WHEREAS, the West Calcasieu Port has received bids on October 29, 2019 at 10:00 AM on the West Barge Basin Improvements, New Entrance Road port improvements project under the Louisiana Port Construction & Development Priority Program; and

“WHEREAS, Meyer & Associates, Inc. has recommended that award of contract be made to the lowest qualified bidder; McManus Construction, LLC.

“NOW, THEREFORE, BE IT RESOLVED by the West Calcasieu Port, in Regular session, assembled on this 5<sup>th</sup> day of November, 2019, acting pursuant to the recommendation of Meyer & Associates, Inc. that the Base Bid in the Amount of \$1,590,233.60 by McManus Construction, LLC be accepted and a contract be awarded to them.”

Tim Dougherty made a motion to adopt the Resolution as read by President Kennison, 2<sup>nd</sup> by Wilmer Dugas. No opposition. Motion carried.

Port Director Lynn Hohensee asked when the Port actually notifies McManus Construction that they have been awarded the contract. Chuck explained the next step is to gather the formal documents, which include notice of award and a contract. Chuck said those documents will be sent to McManus Construction early next week. After that time, they have 10 days to complete the documents and send them back to Meyer & Associates, along with their bonds. Lynn told Chuck that he sent him, along with Darla, Dick and Glen, a copy of a draft news release announcing the contract award that he would like everyone to review to make sure all of the information is correct and then let him know when it can be released to the news media.

**X. Discuss and take any action necessary on professional accounting services for Louisiana EDA grant for infrastructure improvements**

Darla explained how this is for accounting work in connection with the EDA grant. Due to the amount, it does not have to go out for public bid; but you do need to get market quotes. Darla said she got three market quotes and presented to President Kennison her proposal for doing the accounting services. Darla explained it is a max contract that comes to whatever was budgeted in the EDA budget, which was a total of \$35,000 that would run the full 2-to-5-year period. Darla stated the EDA contract is for five years but is expected to be completed within two years. The hourly rate is \$125 per hour, not to exceed the contract. Darla told the Board that if the contract is voted on and accepted, she would like to place a copy of the contract with the minutes so that it will be placed in the permanent record.

Wilmer Dugas made a motion to accept the contract by Darla Perry of Perry & Company for professional accounting services for Louisiana EDA grant for infrastructure improvements, 2<sup>nd</sup> by Tim Dougherty. No opposition. Motion carried.

(copy of the approved contract is attached with the minutes.)

**XI. Committee Reports**

Glen James told the Board that he just saw an email from Mr. Zeckler about the lease with Atlantic Equipment. Port Director Lynn Hohensee explained that Atlantic Equipment signed the lease for \$3500. They will be getting reimbursed \$1750 by General Equipment, who has been their partner but is now backing out of their part of the lease. Glen stated that the original tenant is Atlantic Equipment and will continue to be under the same name. Lynn said he will be having a phone conference with them in the morning to discuss additional payments for additional land they have been using.

## **XII. Port Director Report**

Port Director Lynn Hohensee announced he is continuing to work with Orion to try to get space in their east slip for CGBM's fueling barge. If that does not come through, the Devalls may give them some temporary space in their east or west fleet. Lynn told the Board that if Atlantic Equipment needs more space, they will be getting more revenue for that.

Lynn reminded the Board that next month's meeting will be held at Southland Field. Lynn asked if a formal resolution needed to be made to move the monthly meetings to Southland Field. Darla explained that as long as they give notice, there doesn't need to be a resolution.

Lynn said he noticed the materials are still sitting there for the S.T.A.R. building repairs. Darla told Lynn she received an email from Angelico Construction, and they will begin repairs tomorrow.

Tim Dougherty asked about the ramp still being in the water. Lynn told Tim that Attorney Glen James is trying to get ahold of Genesis. Glen said he has been leaving messages but has not been successful in reaching anyone. There was a brief discussion regarding the ramp issue and who is responsible for repairs. Tim asked if the ramp needs to be taken out of the water to prevent further damage. Lynn said it is fine where it is but will need to be taken out eventually to be repaired. There was continued discussion regarding the ramp.

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

### **Marketing/Business Development/Retention –**

- U.S. Sen. Bill Cassidy (R-La.) and staffers toured the West Calcasieu Port. Much appreciation to Devall Towing and David Devall for supporting the tour with a Devall vessel and third-party endorsement. Tour resulted in positive local media coverage.
- The port director is actively recruiting a replacement for Orion Marine re: leasing the property the Houston-based company has leased for more than 10 years.
- Average daily barge count for the month of October continues to remain in the high range we've enjoyed for the past 12 months 118-125, frequently exceeding 130.
- Negotiations on behalf of new tenant CGBM, a division of AccuTRANS, continue with a representative of Orion Marine, with the goal of obtaining Orion permission for the CGBM fuel barge to be berthed at the Orion's east slip. The Channelview, Texas-based company is working on obtaining state/federal permits to facilitate the dredging of the waterfront at the green house and along the port's waterfront. Until full state/federal permitting is obtained, the port will make alternative arrangements for the CGBM fuel barge.
- 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. The facility may need 3 Phase electricity support.
- The port director is coordinating with Devall Towing to create interest in the port facilities with ongoing communications efforts with select LNG export terminal projects.
- Port property certification work continues for a parcel of property at the port that will be supported by proposed new waterfront improvements. Site certification will enhance the marketing of the port property to prospective tenants.



#### **Port Operations –**

- The port director and port engineer successfully worked with parish officials and the CPPJ to obtain rezoning for the small building property that was purchased earlier this year.
- Bids were opened on Oct. 29 for the construction of the port's new entrance roadway.
- Conference call with port director, port CPA and Port of St. Bernard port director to discuss administrative aspects to proceeding with EDA grant process.

#### **Professional Organizations & Networking –**

- In October, the WCP director (and/or board members) represented the port at:
  - a. Propeller Club meeting
  - b. Tellurian Meet/Greet – public education effort for Driftwood LNG project
  - c. PAL executive committee teleconference meeting
  - d. PetroChem regular meetings
  - e. PetroChem golf tourney (volunteer)

#### **News Media & Community Relations–**

- Positive regional news media coverage resulted from Devall Towing-supported waterborne tour of the WCP by U.S. Sen. Bill Cassidy.
- Ongoing media relations continue through the Lake Charles Ad/Press Club and other networking opportunities.

### **XIII. Announcements/Reports (Legal, Financial, Engineer)**

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

**FINANCIAL:** Darla Perry reported on the September financials. Deposits totaled \$105,304.12. Expenditures were \$58,548.14 with a positive cash flow of \$46,791.99. Darla said the unusual payments were for the IMCAL dues, the repairs to the AC at Old Ferry Road building and port entrance road.

Barge days for September are still over 100 per day with a total of 4,099. Year to date barge days total 12,131.

Darla announced to the Board that after working on the FEMA appeal for 2,000-plus hours, they were denied the final appeal for the Hurricane Ike 2008 appeal. Darla said she received the final denial, and she cannot go any further than that. There was a brief discussion regarding the FEMA denial.

Darla stated she is working with Chuck on the application for the Port Priority. President Kennison asked Darla if there was any appeal that could be made to the Louisiana Senators regarding the FEMA denial. Darla answered not on Ike but possibly on Rita. Darla said she has not closed the file on Rita, and she will be asking for legislative assistance with it.

Wilmer Dugas made a motion to accept the Port Director's report, legal report and financial report, 2<sup>nd</sup> by Tim Dougherty. No opposition. Motion carried.

**XIV. Executive Session for Professional Services Agreements**

President Kennison entertained a motion to go into Executive Session. Wilmer Dugas made a motion to go into Executive Session, 2<sup>nd</sup> by Tim Dougherty. No opposition. Motion carried. Executive Session began at 4:05 p.m.

President Kennison entertained a motion to move out of Executive Session. Wilmer Dugas made a motion to move out of Executive Session, 2<sup>nd</sup> by Tim Dougherty. No opposition. Motion carried. Executive Session ended at 4:14 p.m.

(Dalton Langford entered the meeting.)

Wilmer Dugas made a motion to give the Port Director a 3% increase for the cost of living, 2<sup>nd</sup> by Tim Dougherty. No opposition. Motion carried. President Kennison stated the increase will be retroactive beginning October 1, 2019.

**XV. Public Comments**

There were no public comments at this time.

**XVI. Adjournment**

President Kennison adjourned the meeting at approximately 4:15 p.m.

  
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President

  
\_\_\_\_\_  
Secretary

**RESOLUTION CERTIFYING COMPLIANCE WITH THE PUBLIC BID LAWS**

STATE PROJECT NO.H.012471(322)  
PARISH OF CALCASIEU

RESOLUTION

WEST CALCASIEU PORT

Whereas, the West Calcasieu Port has solicited bids for State Project No. H.012471(322) in accordance with the current bid laws of the state of Louisiana, including, but not limited to R.S. 38:2211 et. seq; and

Whereas, the West Calcasieu Port has submitted to DOTD Certification of proof of publication, one(1) copy of the bid proposals and bid bonds as submitted by each of the three(3) lowest bidders, a legible copy of the bid tabulation of all bids received, and certified to be correct by the Engineer and an authorized official of the Sponsor, a copy of the engineer's recommendation, contract documents, Notice of Award of Contract, and a copy of the recordation data in the Clerk of Court's Office.

NOW, THEREFORE, BE IT RESOLVED by the West Calcasieu Port, in Regular session, assembled on this 5<sup>th</sup> day of November, 2019, does hereby certify that the bidding procedures comply with Louisiana Revised Statutes 38:2211, et. seq.

  
TIM DOUGHERTY  
SECRETARY

  
DICK KENNISON  
PRESIDENT

CERTIFICATE

I hereby certify that the above and foregoing is true and correct copy of the resolution adopted at a Regular meeting of the West Calcasieu Port held on the 5th Day of November, 2019, in which a quorum was present and voting and that the resolution is still in full effect and has not been rescinded or revoked.

Signed at Sulphur, Louisiana on the 5th Day of November, 2019.

  
TIM DOUGHERTY  
SECRETARY