

# **West Calcasieu Port Board Meeting Minutes**

February 7, 2017

## **I. Call to order**

President Dick Kennison called to order the regular meeting of the West Calcasieu Port at approximately 3:00 p.m. on February 7, 2017, at West Calcasieu Port, 200 Old Ferry Road, Sulphur, Louisiana.

## **II. Invocation**

Glen James led the invocation.

## **III. Pledge of Allegiance**

Pledge led by Chuck Stutes and recited by all board members and guests.

## **IV. Roll call**

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

- ✓ Dick Kennison
- ✓ Dave Aguillard
- ✓ Wilmer Dugas
- ✓ Scott Foreman
- ✓ Tim Dougherty

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

## **V. Approval of minutes of the January 3, 2017 regular monthly**

President Dick Kennison entertained a motion to approve the minutes of the January 3, 2017 regular monthly meeting. A motion was made by Dave Aguillard to approve the minutes of the January 3, 2017 regular monthly meeting, 2<sup>nd</sup> 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 at this time.

**VII. Discuss and take action on approval of Change Order No. 2 – Fender Modifications for Project: Rehabilitation of Existing Bulkhead**

Chuck Stutes passed out copies of the detailed cost breakdown of Change Order No. 2. Chuck explained that approximately a month ago Devall and Tubal-Cain requested from Port Director Lynn Hohensee that some modifications be looked at on the top of the fender system on the existing bulkhead project. Chuck stated their concerns were more about safety of their employees and others not familiar with the dock facility coming there at night and possibly having an accident. Chuck said they spoke with George Landry of Devall and John Boyd of Tubal-Cain to get their comments and then sent it to Orion Marine Group. Orion Marine Group then presented the Port with the change-order cost, which comes out to \$123,105.44. Chuck told the Board he feels the change-order cost is reasonable; but they will be sending it to Jerry's Machine Shop, who did the actual fender system on the project, to get various quotes from some of the material manufacturers to see if they can get the cost down just a little more. Chuck told the Board that for the purposes of getting the project going, he is requesting that the Board approve the Change Order No. 2 (Fender Modifications for Project: Rehabilitation of Existing Bulkhead) with a maximum amount of \$123,105.44. There was a brief discussion regarding Change Order No. 2. Wilmer Dugas made a motion to approve the Change Order No. 2 with a maximum amount of \$123,105.44 for Fender Modifications for Project: Rehabilitation of Existing Bulkhead, 2<sup>nd</sup> by Dave Aguillard. No opposition. Motion carried.

**VIII. Discuss filing requirements of Code of Ethics Training and Tier 2.1 Reporting for Louisiana Board of Ethics**

Darla Perry reminded the Board that she emailed them a copy of the Code of Ethics, but if they needed another copy to let her know and she would re-send it. Darla said that President Dick Kennison did it online, and the time to complete it is 1 hour. Darla said she thinks the deadline for completion is May 1, but she will check and let them know. Darla explained the Tier 2.1 is for financial disclosure of the Board members because the Port gets Federal and State funding. Darla further explained what all needs to be disclosed on the Tier 2.1 and said she thinks they have to be turned in by May 1, 2017. There was a brief discussion on how to fill out the forms.

**IX. Committee Reports**

Port Director Lynn Hohensee reported that the Tenant Committee met at Devall Towing at 2 pm today to discuss taking a possible tax credit on the ramp and also charging a fee to anyone who does not have any activities within the port fleet to use the bulkhead. Lynn said there will be further communication with Devall on the subject of charging a fee to use the bulkhead and will pass it on to all of the tenants at the port.

Lynn said there were 2 incidents this past month where Devall Towing vessels did some damage to the new bulkhead. Lynn said Devall has admitted the damage and taken photos; and they have enlisted the help of Orion Marine Group to do the repairs, at Devall's cost. There was a brief discussion regarding vessel damage to the bulkhead.

#### **X. Port Director Report**

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

{Port Director Lynn Hohensee told the Board that Joe Devall announced today that they will soon begin construction on the new Devall guard shack building to replace the one that burned down a few months ago.

Lynn said the Port is still in discussions with Citgo. Lynn reminded the Board that Citgo approached the Port last year about possibly taking some spoils from bulkhead dredging activity. Lynn explained the Port was not Corps-approved last year to receive any spoils, but this year they are. Lynn told the Board they are in discussions on a set amount of money for the tipping fee to tip "x" number of cubic yards into the spoils area. Lynn said the Port would like to enter into a longer-term commitment in the future by becoming a regular recipient of dredge spoils by Citgo's bulkheads, and hopefully they would be interested in helping the Port develop a second spoils area just to the north of the existing one. Lynn further discussed the benefits of the spoils area with the Board.

Lynn said he spoke with retired Coast Guard Captain Buddy Reams this past month. Lynn stated that he has some insight into the Coast Guard and how the Port can attract them to the port property on Old Ferry Road. Lynn said he had some good ideas on how best to go forward. Lynn told the Board that he will continue to see what can be done.

Lynn reported that the building at Old Ferry Road has been pressured washed, the eaves have been cleaned out. Lynn said that he and Darla spoke to the gentleman that does the lawn maintenance, and he took care of doing the cleaning. Lynn stated that he also gave him the green light to take out the dead tree near the building. Lynn and the Board commended him for the job well done.

Lynn thanked the Port for hosting the two tables at the Chamber Banquet last month. Lynn said it was very well represented by tenants, board members and port staff. Darla Perry stated that she had very good contact with the Tubal-Cain reps and has spoken to them several times when she's been out at the port. Darla said she thought it helped build a good relationship with the tenants.}

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

- The port director continues to coordinate with Devall Towing and the Port of Vinton re: ongoing discussions for possible movement of construction soil by barge from western Calcasieu and Cameron Parishes to industrial sites planned or under construction on the Calcasieu River Waterway. The WCP would play an instrumental role in the movement of dirt by barge
- Communications received from River Barge Works indicates that the tenant remains very interested in relocating to port waterfront property east of Orion Marine Group.
- Efforts continue to encourage the US Coast Guard to consider the West Calcasieu Port as a location for a new USCG facility in Southwest Louisiana.

- Continue to remain in contact with Tubal-Cain officials re: the company's efforts to secure regulatory permits for expansion of the 10-acre property west of the port's barge basin which continues at a slow pace. USA Army Corps of Engineers issued a "joint public notice" re: T-C permitting process for the infrastructure improvements.

**Port Operations –**

- WCP engineer continues with pre-construction engineering and permitting steps for the maintenance dredging of the west barge basin and the installation of the port's new entrance road. The grant covers 90 percent of the construction costs associated with the work.
- Bulkhead replacement work nears completion. All that remains is the installation of walking surface by Orion Marine Group, the main contractor for the project which was funded in large part by Capital Outlay grant monies.
- Port Director continues to work with consultants who are developing an effort to capture Homeland Security grant funding for several south Louisiana ports, including the West Calcasieu Port
- Port engineer continues to work with barge loading ramp manufacturer, Orion Marine Group (ramp installer) and Devall Towing to initiate upgrades to the equipment.
- Devall Towing vessels struck and caused damage to the new bulkhead on two occasions in January. Devall is working with the insurance company and Orion Marine to address the repair process.
- Tubal-Cain continues making site improvements west of the west barge basin, including laying a water line and installation of rock for site driveway.

**Professional Organizations & Networking –**

- In December, the WCP director (and/or board members) represented the port at:
  - a. PAL monthly board meeting.
  - b. Retirement ceremony for Port of New Orleans port director, Gary LaGrange, who will become executive director of the Ports Assn. of La. in April.
  - c. Propeller Club
  - d. West Cal Chamber/Commerce lunch meeting
  - e. PetroChem board meeting
  - f. Alliance for Positive Growth meeting
  - g. SWLA Legislative Breakfast
  - h. BV board meeting

**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 Port Director Report as presented, 2<sup>nd</sup> by Scott Foreman. No opposition. Motion carried.

**XI. Announcements/Reports (Legal, Financial, Engineer)**

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

**FINANCIAL:** Darla Perry reported that the Port was down 3,343 days on barge days for the first 6 months of the new fiscal year. Darla said that December was a pretty big hit, but she hopes the Port is getting closer to where it was last year at this time. There was ramp revenue of \$3,150 for December, but some of that was truck fees and not actually going on the ramp. Darla stated that is \$6,000 more year to date on the ramp and trucking fees. Darla reported that Cemex is a month behind on their rent, and she noticed there is no activity at their site at the port when she drove by there. Darla said she will send Cemex another email to follow up on their rent payment. Darla stated that Morris-

Shea has a credit on their account because they had paid ahead one month. Darla told the Board that when she was doing the accounting for the full year, she noticed that she missed a payment to herself. So that's why there are 2 payments for December. She said the amount had been billed, but it just did not get paid. Darla said there are a lot of dues that come due in December, which include Chamber Southwest, PAL, Gulf Ports Association. Darla explained there were also payments for CIP on the bulkheading in December, which contributed to the ending net cash of \$13,268.04-.

Darla told the Board that they went up in January on the CPI index increase that was received on the Tubal-Cain and River Barge Works contracts. Darla explained she implemented, according to contract, the CPI index for the prior year, which was a 2.6% increase. Darla said she continues to see a flurry of activity with FEMA on a daily basis. Darla explained that FEMA is saying the Port is approved, but the money isn't there yet. Tim Dougherty asked Darla if she has found a third-party auditor to comply with the new State audit rules. Darla answered that it is effective January 1<sup>st</sup>, which runs in half of the Port's fiscal year. Darla said she has spoken to Steve DeRouen, and she asked him to give the Port a quote. Wilmer Dugas made a motion to accept the financial report as presented, 2<sup>nd</sup> by Dave Aguillard. No opposition. Motion carried.

**ENGINEER:** Chuck Stutes told the Board now that they voted on the Change Order No. 2 on the bulkhead project, it will take about a month to get everything fabricated and a few weeks to get installed. So they will be looking at April for all of the work to be finished and the project to be 100% complete.

Chuck said he met with Blaine of Arabie on the maintenance dredging, and they are in the process of putting the permit application together. Chuck said he's hoping he can do a nation-wide permit with the Corps, which usually gets processed quicker than a custom permit for a project. Chuck said he should be submitting all of the permit applications this month, and Meyer & Associates will be sending their plans to DOTD next month. Chuck estimated that the permitting process should take anywhere from 3 – 6 months. Chuck explained that they need to find out first who the permit writers are, which should be revealed by March.

Chuck reported that they continue to have discussions with King Fabricators on the barge ramp. Chuck said King Fabricators will forward drawings for review and approval. Once they are approved, the Board will need to make a decision to move forward. Chuck briefly explained the process they have gone through and said he thinks the ramp can be fixed by spring. Dave Aguillard made a motion to accept the financial report as presented, 2<sup>nd</sup> by Wilmer Dugas. No opposition. Motion carried.

## **XII. Executive Session**


There was no Executive Session at this time.

**XIII. Public Comments**

Port Director Lynn Hohensee told the Board that Tubal-Cain has made significant progress on their permitting steps at the State and Federal levels. Lynn said they feel they will be done with the permitting within 2-3 months. Lynn said he and Chuck are working on how the roadway can be improved on the north side where Tubal-Cain's employees park. Lynn said they also need to work with Entergy because that is where their 3-phase line will be going in. Tim Dougherty asked if the line will be underground. Lynn answered that it will be above ground to the point where it gets to the southwest corner of the spoils area. At that point, Tubal-Cain will pay the expenses of putting it underground. Chuck Stutes said that Entergy prefers to have the lines over head so they can have their line crew work on them quicker, if need be. Chuck said that if they are underground, Entergy has to hire a contractor to do the work. Chuck said it is also cheaper on the front end, too, to have it over head.

**XIV. Adjournment**

President Dick Kennison adjourned the meeting at approximately 3:31 p.m.

  
\_\_\_\_\_  
President

  
\_\_\_\_\_  
Secretary