

# ***West Calcasieu Port Board Meeting Minutes***

September 5, 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 September 5, 2017, at West Calcasieu Port, 200 Old Ferry Road, Sulphur, Louisiana.

## **II. Invocation**

President Dick Kennison led the invocation.

## **III. Pledge of Allegiance**

Pledge led by Dave Aguillard 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
- ✓ Tim Dougherty
- ✓ Scott Foreman

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

## **V. Approval of minutes of the August 1, 2017 regular monthly**

President Dick Kennison entertained a motion to approve the minutes of the August 1, 2017 regular monthly meeting. A motion was made by Wilmer Dugas to approve the minutes of the August 1, 2017 regular monthly meeting, 2<sup>nd</sup> by Tim Dougherty. 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. Election of Officers for October 2017 through September 2018**

Dave Aguillard made a motion to appoint the same 3 officers for another term, 2<sup>nd</sup> by Scott Foreman. No opposition. Motion carried.

## **VIII. Discuss and take action on Amended Budget**

Darla Perry reviewed the Profit & Loss Amended Budget Overview with the Board and explained she wanted to revise it due to the Cemex lease and the Cemex water utility revenue. The expenditures are \$252,940.00 and the depreciation is \$328,851.00, which brings the net income to \$284,650.00 after depreciation. Darla requested that the Board make an amendment due to the loss of the Cemex lease. Wilmer Dugas made a motion to amend the budget due to the loss of the Cemex lease, 2<sup>nd</sup> by Dave Aguillard. No opposition. Motion carried.

## **IX. Committee Reports**

There were no committee reports at this time.

## **X. Port Director Report**

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

{Port Director Lynn Hohensee announced that November 9<sup>th</sup> is the annual West Cal Chamber Banquet. It will be held at the Isle of Capris. The Port will have 2 tables, and Lynn said he needs the Board to let him know ASAP if they would like a seat. There was a brief discussion about the banquet.

Lynn reported that due to the hurricane, the barge numbers have been up over 120 per day and continue to be up. Lynn told the Board there is some information about the barge basin dredging in the Engineer's Report on the last page of their packet, and it will be reviewed during the Announcements/Reports. Lynn said he feels they will see in the community an increasing demand for barge fleeting space in the future because of the continued growth of industry in the area as well as commerce going back and forth between Texas and Florida using the Intracoastal. Lynn said they will certainly see an increase if they can get all of the regulatory issues resolved for Tubal-Cain to start billing out their facility on the west end of the port.

Lynn explained Tubal-Cain is presently dealing with trying to handle the incredible expense of mitigation for the 4.5 acres in the amount of \$238,500.00. Lynn went into further detail regarding the problems with mitigation and DNR/Coastal Management. Lynn stated that the Operations Manager at Tubal-Cain said that the cost of mitigation could be a deal breaker. However, the owner of Tubal-Cain contacted Lynn and requested having the last slip on the far end dredged down to 20 feet when dredging is done of the barge basin because Tubal-Cain has a dry dock facility they want to move into that spot. There was further discussion regarding Tubal-Cain and the mitigation issue.

Lynn told the Board the Port Director at the Port of Lake Charles offered to enter into a cooperative endeavor agreement between the Port of Lake Charles and West Cal Port whereby Port of Lake Charles would make the money available to West Cal Port and then West Cal Port in turn would make the money available to Tubal-Cain to pay the mitigation costs so they can move forward with their plans. Lynn said Tubal-Cain would then have to reimburse West Cal Port over a certain period of time so the money could be given back to the Port of Lake Charles. Darla explained that the Port of Lake Charles would not be needed since West Cal Port has the funds to cover the mitigation expense. There was continued discussion regarding Tubal-Cain and the mitigation issue.

President Dick Kennison suggested that if Tubal-Cain cannot negotiate with DNR and the Corps of Engineers to get the price down, then the Port could pick up the portion of the cost that was over what Tubal-Cain was budgeting to pay for mitigation. Lynn asked if that proposition could be given to Tubal-Cain with the Board's permission. President Kennison agreed, as long as it was understood that it was a last resort option. Lynn said Environmental Resources out of Lafayette indicated they had a suggested path forward to reduce the cost from \$238,500 down to \$135,000 or \$140,000. Lynn said he was going to visit with Blaine at Austin Arabe to see if there is some validity to that path forward. There was continued discussion regarding Tubal-Cain's mitigation issue.

Lynn expressed his appreciation to the Devalls for hosting a table at the LegisGator event. Lynn also reminded the Board about the October meeting being held at Devalls' offices in Sulphur for the annual steak dinner hosted by the Devalls. Tim Dougherty asked if there was a way to recognize the Devalls for everything they did during Hurricane Harvey to help the community. There was a brief discussion regarding the hard work by Devalls and Tubal-Cain during the hurricane.

Lynn reported on his meeting at the request of Senator Morrish last week. Lynn stated there is a current of interest moving to possibly create a maritime navigation taxing district in Southwest Louisiana. Lynn briefly explained how the maritime navigation taxing would work to help widen and deepen the waterways as well as take care of maintenance and how to best present it to the public.

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

- Met with prospect interested in limited lease of property at the port for several years.
- 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.
- Attended LCIA (La. Chemical Industry Alliance) annual Region IV (Southwest La.) Tradeshow. Show booth space is sold out, as usual every year, which allowed the networking with many vendors/suppliers, some with business interests involving maritime industry.
- Met with Pilot in Command and O'Carroll Group discussed agreement for drone video "shoot" of the West Calcasieu Port. Decision was made to defer video shoot until later in the year once infrastructure improvement steps were completed.
- Met with Terracon re: interest in the West Calcasieu Port.

## Port Operations –

- Port director has been involved in daily communications efforts (Aug. 23-31) hosted by the U.S. Coast Guard re: Hurricane/Tropical Storm Harvey.
- Port director was in regular contact with port tenants during hurricane/tropical storm threat and movement. Daily barge fleeting numbers increased to as much as 130 during threat of tropical storm.
- Port director coordinated use of Tubal-Cain barge slips by Devall Towing for temporary fleeting of barges seeking safe harbor.
- WCP is waiting final permitting for the planned maintenance dredging of the west barge basin.
- Construction of a new Devall Towing guard/fleet two-story building was completed.
- Bulkhead replacement work is completed.
- 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.
- Tubal-Cain continues to make limited site improvements west of the west barge basin.

## Professional Organizations & Networking –

- In August, the WCP director (and/or board members) represented the port at:
  - a. Met w/Sen. Dan Morrish re: possible creation of maritime navigation taxing district
  - b. PAL monthly board meeting
  - c. Chamber/SWLA 12<sup>th</sup> annual LegisGator Luncheon
  - d. West Cal Chamber economic development committee meeting
  - e. Chamber/SWLA government affairs/infrastructure committee meeting
  - f. PetroChem board meeting and regular dinner meetings
  - g. DOTD public hearing on I-10 bridge replacement efforts
  - h. BV board meeting
  - i. Rep. Higgins town hall meeting

## News Media & Community Relations–

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

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

**LEGAL:** There was no legal report given.

**FINANCIAL:** Darla reported the cash flow for July was \$85,549.77; however, that was not all revenue. Darla explained account 126 pertains to the property offer that the Port later rejected and received a refund in the amount of \$7,200. Darla said the \$5,000 under professional fees includes the dredging permit to DNR. Net cash was \$65,742.52. Barge days for July were 2,418. Ramp revenue was \$1350 for July. Darla told the Board that all of the full financials and ledgers are present for their review. This is due to new SAUP (State Agreed-Upon Procedures) that the Port is now subject to. Darla said they are required to make all of the reports present at every meeting. Darla said she is still working with FEMA, and she feels she may need to make a trip to Baton Rouge soon along with Chuck Stutes and Lynn Hohensee. Dave Aguillard made a motion to accept the finance report as presented, 2<sup>nd</sup> by Scott Foreman. No opposition. Motion carried.

**ENGINEER:** Port Director Lynn Hohensee presented the written report submitted by Chuck Stutes in his absence.

**XII. Executive Session**

There was no Executive Session at this time.

**XIII. Public Comments**

There were no public comments at this time.

**XIV. Adjournment**

Wilmer Dugas made a motion to adjourn the meeting, 2<sup>nd</sup> by Dave Aguillard. President Dick Kennison adjourned the meeting at approximately 3:42 p.m.

  
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President

  
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Secretary