

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

April 1, 2014

## **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 April 1, 2014, at the offices West Calcasieu Port, 311 Gross Road, Sulphur, Louisiana.

## **II. Invocation**

Lynn Hohensee led the invocation.

## **III. Pledge of Allegiance**

Pledge led by Wilmer Dugas and recited by all board members and guests.

## **IV. Roll call**

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

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

Board Member Scott Foreman was absent from the meeting.

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

## **V. Approval of minutes of the March 4, 2014 regular monthly meeting**

President Dick Kennison entertained a motion to approve the minutes of the March 4, 2014 regular monthly meeting. Wilmer Dugas makes a motion to approve the minutes of the March 4, 2014 regular monthly meeting, 2<sup>nd</sup> by Dave Aguillard. No opposition. Motion carries.

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

There were no amendments, additions nor deletions to the proposed agenda.

**VII. Discuss and take action on approval of monopile(sic) addition for fuel barge and navigation control at barge ramp contracted to Orion**

Port Director Lynn Hohensee explained the needs for a third monopile on the west side of the new barge loading ramp, which are to increase operator safety for the use of the ramp bringing barges in and out and to bring a new tenant to the port that would provide fueling services. Orion has offered the Port an estimated bid of approximately \$45,700 for construction and installation of the 42” monopile. Lynn said that was included in a packet presented to the Police Jury last week in requesting additional funding support for economic development funds. Lynn said they are waiting to hear back from Brian at the Police Jury on approval. Tim Dougherty asked a question about bulkheading. Lynn said the new bulkheading will be done from the new barge ramp to the east. Police Juror Francis Andrepont said he would get with Brian Thursday for an update.

Wilmer Dugas makes a motion to approve the monopile addition for fuel barge and navigation control at barge ramp contracted to Orion, 2<sup>nd</sup> by Tim Dougherty. No opposition. Motion carries.

**VIII. Discuss and take action on Extension Proposal of Orion Marine Group**

Glen James said he prepared an addendum to the lease; and then Lynn questioned whether the name should be under F. Miller Construction, LLC, or Orion Marine Group. Glen stated he received an email from Bill Boyer saying he would check with Orion and their legal team on the legal name. There was further discussion about Orion’s legal name. Lynn said the Tenant Committee has no problem extending the lease another 5 years, to 2019, keeping the same rate of \$10,000 per month for the same amount of property. Glen said they are asking the lease to be modified to permit that Orion Marine Group would have the right to sublease to an affiliate company without the Port’s consent and, further, that they have the right to sublease or sign a portion or all of the lease to a third party with the Port’s consent, with the Port’s consent not to be unreasonably withheld. Glen said that is pretty standard language. Tim Dougherty asked about the 2 barge slips that Orion Group is using and the dredging of the barge slips. Lynn said it is somewhat usable now, but it does need some dredging. The Port has a request for permit to DNR for the maintenance dredging for the 2 basins. There was further discussion about the dredging. President Dick Kennison asked Glen James if it would be proper for the Board to okay the extension to Orion Marine Group/F. Miller Construction, et al. Glen suggested wording it F. Miller Construction, LLC, or its parent company Orion Marine Group. There was further discussion about Orion’s legal name.

Wilmer Dugas makes a motion to approve the lease extension to F. Miller Construction, LLC, or its parent company Orion Marine Group, 2<sup>nd</sup> by Dave Aguiard. No opposition. Motion carries

## **IX. Committee Reports**

Lynn Hohensee gave an update on the Tenant Committee. Lynn said they have had a chance to work on the progress of bringing Tauber Oil online as a new tenant of the Port. The next step is to get with Tauber Oil to discuss lease fees and through-put percentages for fuel. Lynn said they plan to set up a meeting within the month. Lynn further explained the benefits of having Tauber Oil providing fueling services at the Port, and there was further discussion about gathering information about through-put and fuel pricing. Glen James brought up some items for the Board to consider; namely, to look at what would be a good return on the market cost. Lynn said the Tenant Committee will gather more information and report back to the Board at the next meeting. Tim Dougherty brought up his concerns of subleasing. Lynn brought up the benefits that the Port has seen with the various tenants and how the companies all work together and benefit each other.

## **X. Port Director Report**

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

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

- The West Calcasieu Port has formally requested funding through an economic development grant from the Calcasieu Parish Police Jury, which will cover the final steps in completing the work associated with the port's new barge loading ramp.
- Progress continues in bringing a fueling operation to the West Calcasieu Port, thanks to close coordination with Devall Towing and the USCG.
- Tentative agreement has been reached between the port's tenant committee and Orion Marine Group re: the five-year extension of the existing lease agreement. The port board will receive a recommendation from the tenant committee.
- The port continues to actively market the Devall Diesel Building to local prospects..
- Work continues on a revised reprint of the West Calcasieu Port brochure. New aerial and land photos will be inserted. Cost of the reprinting will be covered by the SWLA EDA.

### **Port Operations –**

- Construction/installation of the new barge-loading ramp funded by a grant from Devall Towing basically is complete. Support soil/concrete and electrical work remain to be completed. A third monopile is planned for the west side of the ramp loading area in the basin to accommodate more safe use of the ramp and to meet the need for a new port tenant.
- Progress is being made on the road construction work for the 700-feet of hard-surface roadway to the new barge loading ramp following weeks of inclement weather conditions. The project deadline of the end of March is extended due to the weather-related delay of work.
- Issues are being addressed to assure that U.S. Fence/Gate honor its obligation for post-installation service for the port's main security gate. Electrical outages which caused problems with the backup battery system have been corrected. Issues with the card readers are being addressed.

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

- The WCP director represented the port at:
  - a. Ports Association of Louisiana monthly board meeting
  - b. Inland Waterway Conference

- c. Calcasieu River Waterway Harbor Safety Committee meeting and CRWHSC navigation committee meetings
- d. Chamber/SWLA Gov't Affairs/Infrastructure committee
- e. West Cal Chamber/Commerce monthly meeting
- f. WCCC economic development committee meeting
- g. USCG SETX/SWLA meeting
- h. 2 Parish public hearings re: sewer tax
- i. Propeller Club meeting
- j. PetroChem meeting
- k. Boys Village board meeting

- Port purchased table at annual Chamber/SWLA banquet.

**News Media & Community Relations--**

- Site Selection Magazine featured an article/photos based on the economic growth in SWLA, including positive mention of the West Calcasieu Port.
- Ongoing media relations continue through the Lake Charles Ad/Press Club and other networking opportunities.

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

**LEGAL:** Glen James stated there is no legal report for this month.

**FINANCIAL:** Darla Perry gave the financial report. Cash flow for February was a little more than normal due to the Port's portion of the ramp road project. Barge days YTD up through February are 25,435. Ramp lease for February was \$3200. Darla said the first note of \$90,000 was paid on the bond. This payment is done annually. President Dick Kennison entertained a motion to accept the financial report as presented. Dave Aguillard makes a motion to accept the financial report as presented, 2<sup>nd</sup> by Tim Dougherty.

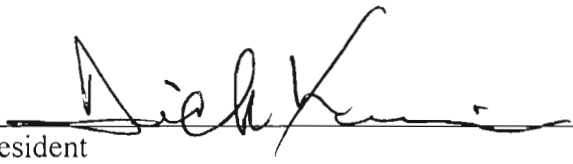
**ENGINEER:** Chuck reported there has been progress on the ramp project. There has also been substantial progress on the roadway. Chuck said the dirt work should be done in approximately a week, followed by the cement and asphalt. Chuck stated Lynn will be getting with F. Miller to facilitate traffic flow while portions of the roadway will be closed. Arabie Environmental Solutions is working on permits regarding the East Barge Basin maintenance dredging. Chuck said Lynn received a notice yesterday that DNR has accepted the permit application and assigned a number to it, which means it will take 30-60 days to receive a permit that will allow the Port to maintenance dredge within that East Barge Basin slip for the next 5-10 years. Arabie Environmental is also working on a permit application to fill in the ditch that goes through the F. Miller yard. Lynn asked if any permitting work has been done for the work on the bulkhead; and Chuck answered, "No, not yet."

**XII. Public Comments**

Tim Dougherty asked if Orion was still leasing the extra two acres. Lynn and Darla both said no. Lynn explained it was only a temporary lease.

**XIII. Adjournment**

President Dick Kennison announced the next board meeting will be scheduled for May ~~6~~<sup>13th</sup> and adjourned the April meeting at approximately 3:31 p.m.

  
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President

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Secretary