

# **West Calcasieu Port Board Meeting Minutes**

August 1, 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 August 1, 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**

Darla Perry conducted a roll call. The following persons were present:

- ✓ Dick Kennison
- ✓ Dave Aguillard
- ✓ Wilmer Dugas
- ✓ Tim Dougherty (entered meeting during roll call)
- ✓ Scott Foreman

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

## **V. Approval of minutes of the July 11, 2017 regular monthly**

President Dick Kennison entertained a motion to approve the minutes of the July 11, 2017 regular monthly meeting. A motion was made by Dave Aguillard to approve the minutes of the July 11, 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.

## VII. Committee Reports

Port Director Lynn Hohensee explained to the Board that there was a tenant committee meeting over a week ago, and most of what was discussed is in his Director's Report.

## VIII. Port Director Report

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

{Port Director Lynn Hohensee added to his report an update on some recent activity. Lynn said he received word from Blaine Johnson at Austin Arable Environmental regarding the Corps and DNR permitting for the Port's mitigation. Blaine told Lynn that he received word from a Corps representative that the Port's packet is on top of his desk, and he wants to complete it and have it off of his desk in a few days. Lynn said that once they receive the approvals, the Port will be able to go out for bids for a dredger, which will be a 30-day process handled by Chuck Stutes. Lynn further explained that once that is done and the bid is awarded, the Port can begin to do improvements on the levee.

Lynn reported that he met with Tubal-Cain last week. Lynn explained that after 18 months of trying to get permits, Tubal-Cain has been told by the Office of Coastal Management that mitigation of 4.5 acres of wetlands will cost \$238,000. Lynn said he sent a letter to Karl Morgan at DNR asking to set up a meeting to appeal, and he has not heard back from him yet. Lynn stated he also sent notification to Don Pierson, Secretary of LED, explaining the frustrations of businesses coming from out of state to do business in Louisiana when they find out the high cost of mitigating a few acres of land, in addition to bringing jobs here. Lynn said that Don Pierson sent him a letter showing a formula where the cost of mitigation was reduced from \$238,000 down to \$108,000. Lynn stated he has not heard back yet from Randy Cooper at Tubal-Cain, but he has spoken with several individuals that feel this will be an acceptable process with DNR and the Corps. There was a brief discussion regarding Tubal-Cain's mitigation issues.

Lynn reported that he will be working with the Devalls for the next 60 days on planning the October 3<sup>rd</sup> Annual Devall Barbecue. Lynn announced the board meeting for October will take place at Devall's offices on the day of the barbecue.

Lynn said Joe Devall has asked him to help fill seats at the annual LegisGator Luncheon at L'Auberge on August 25<sup>th</sup>. Lynn stated he extended the invitation to the Coast Guard for a couple of seats. Lynn asked the Board to give him a firm answer whether any would like to go as soon as possible.

Lynn told the Board he met with Andy Guinn of Port Aggregates last week. Lynn explained to the Board the current operations of Port Aggregates and how they have subleased the south portion of their land to a company that markets/transport ash and the north portion of the land to a company for a laydown yard to support Cameron LNG. Lynn said he doesn't expect that piece of property to come up for sale any time soon, but you never know. Tim Dougherty asked about an update on the spoils area. Lynn explained it has been taken care of.}

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

- Hosted dinner meeting with US Coast Guard, DOTD at 112<sup>th</sup> Gulf Intracoastal Canal Assn. annual conference. Also had excellent reception discussion with USCG Capt. Oditt and MSU-LC Cmdr. Dan Cost re: USCG interest in becoming a port tenant.
- Port tour/lunch was hosted for regional representatives of both Sen. Casiday and Sen. Kennedy.
- Port tour/lunch was hosted for representative of Morrison Contractors, Houma, La. The privately owned firm is interested in leasing 10-12 acres for a fabrication yard.
- 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.
- Met with Tubal-Cain operations manager to discuss issues/concerns associated with the state/federal permitting for the leased land at the west end of the port property
- LCIA (La. Chemical Industry Alliance) annual Region IV (Southwest La.) Tradeshow was canceled due to Tropical Storm Cindy and rescheduled for Aug. 16<sup>th</sup>. Show booth space is sold out, as usual every year.
- Attended the Driftwood LNG Terminal project contractor's fair at West Cal Events Center hosted by Tellurian, parent company of Driftwood, and Bechtel, contractor for the project.
- Met with owner and manager of S.T.A.R. Concrete Pumping, and they reported that business in SWLA is very brisk, and they have opened new operations at College Station, Texas, and Baton Rouge.
- Met with Andy Guinn, Port Aggregate, Inc., re: site activity.
- Met with representatives of LG Chem, Korean firm and largest chemical manufacturer in the world.

### **Port Operations –**

- WCP is waiting final permitting for the planned maintenance dredging of the west barge basin.
- Work is nearly finished on the construction of a new Devall Towing guard/fleet two-story building.
- 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.
- Tubal-Cain continues to make limited site improvements west of the west barge basin.
- River Barge Works has decided to abandon its efforts to relocate to the one-acre area east of Orion Marine Group lease area.

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

- In July, the WCP director (and/or board members) represented the port at:
  - a. GICA 112<sup>th</sup> annual conference
  - b. PAL monthly board meeting
  - c. West Cal Chamber economic development committee meeting
  - d. Chamber/SWLA business after hours
  - e. PetroChem board meeting
  - f. Christus-St. Pat's community advisory council meeting
  - g. IMCAL meeting re: I-210 Bridge Traffic Impact Study

### **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's Report as presented, 2<sup>nd</sup> by Tim Dougherty. No opposition. Motion carried.

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

**LEGAL:** Glen James gave an update on the lawsuit that West Cal Port was asked to join in, along with 12 other ports, regarding the appealed case of St. Bernard Port v. Violet Dock Port on the issue of expropriation. Glen stated the trial court and the Court of Appeals have upheld the decision, and he hopes it will continue to be upheld in the Supreme Court.

**FINANCIAL:** Darla reported on the June cash flow, the extraordinary item under 320 Lease - Cemex includes the termination payment of \$36,000. Darla stated that \$7200 under 126 Deposits, Disbursements, was the amount put down in good faith on the 189 Old Ferry Road property. Darla said they have since received that payment back when the offer was withdrawn. Darla added that account 567 Professional Fees included testing done on the 189 Old Ferry Road property which comprised of mold inspection, a walk-through, environmental and termite inspection.

Darla reported barge days were 35,824 for the fiscal year, which is about 2400 days less than last year. Ramp lease took in \$27,900 for the fiscal year while it was \$9,400 the year before. Darla told the Board she has added a page to the financials as required by the State showing a monthly budget-to-actual statement. Darla stated she is waiting to hear from the Legislative Auditor to get an opinion on how it needs to be distributed. Darla explained the amount budgeted for the fiscal year was 910,725.96 and the Port took in \$1,026,178.60. Bottom line for net income, the Port ended up \$177,332.49 better than budgeted this fiscal year that ended June 30<sup>th</sup>. Darla reported that it is a real good financial position compared to budget where they were last year.

Director Hohensee asked what the percentage increase is, roughly, this year over last year. Darla answered she would have to research it, but they are much better this year than last year.

**ENGINEER:** Chuck reported they have received a draft permit from the office of Coastal Management/DNR for the dredging project. Chuck stated they submitted the payment they requested, so they should be receiving the bio permit any day now. Chuck said they should be receiving the draft permit from the Corps at any time. Chuck told the Board he brought the final plans and specs to Lynn Hohensee to deliver to DOTD. Chuck announced they are ready to do the bidding. The only things they are waiting on are the final 2 permits. Chuck said it's possible they will be able to start advertising for the project in September or October.

Regarding the bulkhead rehabilitation project, Chuck reported the fabrication is complete; and it is going to the painters. Those materials should be delivered at any time; and Jerry with Orion said it should be only a matter of days for it to be installed.

Chuck said he's been in touch with the ramp people. The ramp materials are fabricated, and they will be coordinating with Chuck shortly for installation. Port Director Lynn Hohensee asked if the Devalls have been apprised of the situation to see if it fits their schedule. Chuck answered that King Fabricators will get with Orion Marine Group since they will be helping with the installation.

Wilmer Dugas makes a motion to accept the Legal, Financial and Engineer Reports as presented, 2<sup>nd</sup> by Dave Aguillard. No opposition. Motion carried.

**X. Executive Session**

There was no Executive Session at this time.

**XI. Public Comments**

Jerry Merchant thanked the Board for allowing him to sit in on the meeting and reported to the Board that the Port of Vinton is steadily making progress. Lynn Hohensee gave the Board a brief description of two ongoing projects at the Port of Vinton. There was a brief discussion regarding the projects at the Port of Vinton. Dave Aguillard extended an invitation for Mr. Merchant to attend any future meetings of the Port. President Dick Kennison thanked Mr. Merchant for attending the meeting.

**XII. Adjournment**

President Dick Kennison adjourned the meeting at approximately 3:36 p.m.

  
President

  
Secretary