

West Calcasieu Port Board Meeting Minutes

August 7, 2018

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 7, 2018, at West Calcasieu Port, 200 Old Ferry Road, Sulphur, Louisiana.

II. Invocation

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

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

V. Approval of minutes of the July 3, 2018 regular monthly

President Dick Kennison entertained a motion to approve the minutes of the July 3, 2018 regular monthly meeting. A motion was made by Dave Aguillard to approve the minutes of the July 3, 2018 regular monthly meeting, 2nd by Wilmer Dugas. No opposition. Motion carried.

VI. Amendments, additions and deletions to the proposed agenda

There were no additions or deletions to the proposed agenda at this time.

VII. Discuss and take action on any change order necessary on basin dredging project

Chuck Stutes reminded the Board that this item was discussed at the July board meeting. Chuck stated that since that time more information has been gathered, and things are worse than expected. Chuck said there has been one pass of the dredge on the south side of the barge basin, and it has been determined that the Portland cement debris is out as far as possibly 100 feet from the bank. Chuck told the Board that now that the material is beyond 50 feet, the contractor is recommending using a marsh buggie along with the long-reach cranes. The contractor now estimates the cost to be around \$23,000 plus the original \$6,000; and he says the work could be completed in a day. Chuck said the exact figure the contractor has given is \$28,935. Wilmer Dugas asked if River Barge Works will be paying for damages. Chuck said something will need to be negotiated. Port Director Lynn Hohensee said he forwarded the new estimated cost to Mike Boies at River Barge Works today, and Mike said he would check with his guys. Lynn gave a brief explanation about his understanding of how River Barge Works' cleaning process works.

Darla Perry recommended having the Port pay for the costs to remove the debris upfront and then take legal action later, if necessary, not to delay the dredging process. There was a brief discussion about the costs of removing the debris and the removal process. Lynn said he will continue to work with Mike Boies on getting River Barge Works to pick up the cost of the debris removal. President Dick Kennison reminded the Board that Mr. Boies indicated in earlier communications that if it was Portland cement, then it would be theirs; and it is Portland cement that is needing to be removed.

President Kennison explained that the Board needs to approve paying Coastal Dredging no more than \$28,935 for the costs to remove the debris and allow Port Director Lynn Hohensee to negotiate with River Barge Works to reimburse the Port for the debris removal costs or take legal action, if necessary. There was a brief discussion regarding the issue of the debris removal. Dave Aguillard made a motion to approve paying Coastal Dredging no more than \$28,935 for the costs to remove the debris and allow Port Director Lynn Hohensee to negotiate with River Barge Works to reimburse the Port for the debris removal costs or take legal action, if necessary; 2nd by Scott Foreman. No opposition. Motion carried.

There was a brief discussion on ways to prevent this issue from happening in the future.

VIII. Vote on Recommendation renewal for appointee to West Calcasieu Airport Managing Board

President Dick Kennison told the Board that Darla Perry has spoken with Dana Keel, and Mrs. Keel stated she would like to continue being on the West Calcasieu Airport Managing Board. Wilmer Dugas praised Mrs. Keel for doing a good job on the Board and made a motion to recommend the renewal for Appointee Dana Keel to the West Calcasieu Airport Managing Board, 2nd by Dave Aguillard. No opposition. Motion carried.

IX. Discuss and take action on appointment of auditor for Louisiana Legislative Auditor request

Darla Perry told the Board she has the proposal from McMullen And Mancuso to perform the audit, and there is an increase of \$1,000 compared to last year due to the State-wide Agreed-Upon Procedures (SAUP) audit. Darla explained the Port paid \$8,900 for the audit and \$3,000 for the SAUP last year. This year the costs will be \$8,900 for the audit and \$4,000 for the SAUP. Darla recommended the Board to accept the proposal by McMullen And Mancuso to perform the audit in the amount of \$8,900 and the SAUP in the amount of \$4,000. Wilmer Dugas made a motion to accept the proposal by McMullen And Mancuso to perform the audit in the amount of \$8,900 and the SAUP in the amount of \$4,000; 2nd by Tim Dougherty. No opposition. Motion carried.

X. Committee Reports

There were no Committee Reports given at this time.

XI. Port Director Report

{Port Director Lynn Hohensee introduced Donna Garner of Fidelity Fuels and invited her to address the Board. Ms. Garner thanked Lynn for allowing her to come speak to the Board and gave a brief history of her background in industrial/marine sales. Ms. Garner explained her role with Fidelity Fuels and gave a brief history of the company. She also gave the board members a handout explaining her job history and some short-term and long-term plans as they pertain to the West Cal Port, along with photos of their facility in Channelview, Texas. There was a brief discussion regarding the work that Fidelity Fuels engages in and the benefits of having a presence at West Cal Port.

Wilmer Dugas asked Ms. Garner what her timeline would be to have a presence at West Cal Port. Ms. Garner answered that she would like to have a barge here to refuel boats in the next few days, but a main concern would be getting water. There was a brief discussion about the ways Fidelity Fuels could begin working with West Cal Port. President Dick Kennison thanked Ms. Garner for her presentation and stated that Port Director Lynn Hohensee would be in contact with her soon.

Lynn gave a brief explanation to the Board about the Calcasieu Locks. Lynn told the Board he had a discussion with the USCG captain from Houston at the Gulf Intracoastal Canal Association conference regarding relocating the local USCG Rapid Response Unit to West Cal Port, and he is pushing hard to have the USCG move forward on relocating to the port. Lynn stated he also spoke with Col. Clancy from the Army Corps of Engineers' New Orleans office at the GICA conference about concerns regarding the large dirt pile on the south shore across from the port and whether the proper permits were obtained.

Lynn announced the Chamber of Commerce Annual Banquet will be November 8th. Lynn asked the Board to be thinking about the event and let him know within 2 weeks whether they would like to sit at the West Cal Port's table for 8. Lynn said the Port also has a table for 8 at the Annual LegisGator Luncheon on August 24th if anyone would like to attend. Lynn said there are 2 seats available for that event.

Lynn told the Board he was contacted by the Parish today, and Tim Dougherty's renewal on the Board comes up in October. Lynn said they need to start speaking with the Labor Unions to see if they will reappoint Tim for his board position. Darla Perry said the reported appointment address needs to be changed because the wrong address is listed.}

Marketing/Business Development/Retention –

- Communications is underway with a Texas-based midstream fueling company interested in setting up a fueling barge/station at the West Cal Port.
- Communications are ongoing re: potential tenant's interests in setting up a remote pipeline pump station at the west end of the port's spoils reception area for possibly up to two years.
- Work continues on a new lease agreement with Tubal-Cain Marine Services.
- 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.
- Tour conducted for IMCAL team.
- Coordination continues with SWLA Economic Development Alliance and Entergy to seek certification for a parcel of property at the port that will be supported by proposed new waterfront improvements.
- Attended the 113th annual Gulf Intracoastal Canal Assn. conference. Received favorable comment from USCG captain from Houston re: relocating local USCG rapid response unit to West Cal Port.
- Also while at the conference, was invited to a dinner meeting of Devall Towing, AccuTrans and the Port of Victoria. AccuTrans is a business partner of Devall. Devall has operations at both ports.

Port Operations –

- Dredging activities continue at the port's west barge basin, where an estimated 140,000 cubic feet of spoil will be transferred to the port spoils reception area.
- Civil work was completed on the spoils reception area south levee to lessen the slope from the top of the levee to the basin.
- Repairs by Orion Marine Group were completed on a deck plate on the port's new bulkhead.
- Tubal-Cain repaired a damaged utility pole near the barge loading ramp after one of the firm's employees inadvertently struck the pole with a forklift.
- Civil work continues at the new Tubal-Cain lease site that facilitates movement of storage tanks from the west end of the spoils area levee prior to the commencement of dredge spoil pumping.
- Arrangements were firmed up with port tenants re: space in the port's west barge basin. River Barge Works is at the far west end and Tubal-Cain Marine Services is at the east end.
- Discussions continue with T-C and Entergy officials re: 3 Phase electricity support to the port.
- The port director and port engineer remain in communication with the new point-of-contact at Louisiana State Office of Facility Planning and Control re: funding for engineering/design for new port bulkheading project.
- Communications continue with IMCAL to seek their assistance in securing Economic Development Administration (Dept. of Commerce) federal grant for port infrastructure development. Response was promising, and our port team is working with IMCAL on next steps in the application process.
- 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.
- During GICA conference, discussion was held with US Army Corps of Engineers New Orleans commander (Col. Clancy) re: concern of growing amount of dirt being piled up on the south shoreline of the GIWW across from the West Cal Port. Concern focuses on potential for weight of dirt causing sliding of GIWW shoreline into the channel, especially during extended wet weather.

Professional Organizations & Networking –

- In July and early August, the WCP director (and/or board members) represented the port at:
 - a. PAL board meeting
 - b. PAL executive director search committee meeting

- c. 113th GICA annual conference
- d. Calcasieu River Waterway Harbor Safety Committee special meeting
- e. Chamber/SWLA business after hours
- f. PetroChem meeting.

News Media & Community Relations–

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

XII. Announcements/Reports (Legal, Financial, Engineer)

FINANCIAL: Darla Perry presented the June Financial Report to the Board. The cash flow for June was \$104,530. Darla explained the utility revenue includes water and electricity. Darla pointed out that the Tubal-Cain Entergy bill is still under the Port's, but it is a direct pass-through. Darla reported that the Port received a reimbursement from FEMA for administrative costs that she and Chuck Stutes had been working on. That amount is listed under "Miscellaneous Income." Darla explained that this has been ongoing for 10 or 11 years, and there is still \$200,000 on appeal. Darla said she still feels like the Port will have a favorable outcome at some point. Darla further explained the breakdown of the administrative costs. Darla told the Board she would like to get authority to pay Meyer & Associates and Perry & Company for the amount reimbursed that has been held on contingency. Darla gave the Board a copy of the bills and told them that she did not need an answer today.

Darla further reviewed the Financial Report with the Board. Darla told Police Juror Francis Andrepont that the Port would be making a request soon for additional funding regarding the port entrance road.

Barge days year to date are 38,785. Darla said that is 5,380 more than prior year. Ramp revenue year to date is \$5,850. That is \$22,050 less than the prior year. Darla said she hopes that will pick up next year. Darla reported that they have begun working on the audit. Darla told the Board she was intrigued with the (Fidelity) Fuels presentation and would like to see the Port consider a flow-through for the tenant lease on the number of gallons of fuel versus a flat rate. Darla said she thinks they have the Economic Development grant close to where Ms. Collins will be ready to give her presentation. Darla said they have had some minimal work, but the amount of money is significant (around 3 million) to give the Port for infrastructure to do some lay-down yards.

President Dick Kennison asked Darla if there were invoices for the amounts owed to Meyer & Associates and Perry & Company for the FEMA reimbursement. Darla answered yes, along with time detail and analyses. Mr. Kennison confirmed that the Port has been paid, and Darla stated yes. Tim Dougherty made a motion to pay the moneys owed to Meyer & Associates and Perry & Company for the FEMA administrative costs, 2nd by Dave Aguillard. No opposition. Motion carried.

Wilmer Dugas made a motion to accept the Financial Report as presented as well as the Director's Report as presented, 2nd by Scott Foreman. No opposition. Motion carried.

ENGINEER: Chuck Stutes reported that the maintenance dredging is well under construction, probably 80% complete. There was a problem with the Portland cement

from River Barge Works; and they also encountered some issues with debris, like wire rope and wood, which has slowed down the process. Chuck estimates it could be around 2 weeks when they finish.

Chuck said they are still doing design work on the port entrance road. He hopes to be done soon so they can go out for bids. Chuck reported that the bulkhead project is in the preliminary engineering phase and is being funded by the Capital Outlay program. Chuck said they will be using a lot of that information to put together the grant application with EDA.

Wilmer Dugas made a motion to accept the Engineer Report as presented, 2nd by Tim Dougherty. No opposition. Motion carried.

XIII. Executive Session

President Dick Kennison entertained a motion to go into Executive Session. Dave Aguillard made a motion to go into Executive Session, 2nd by Wilmer Dugas. No opposition. Motion carried. The Board went into Executive Session at approximately 3:55 p.m.

President Dick Kennison entertained a motion to come out of Executive Session and move back into Regular Session. Wilmer Dugas made a motion to come out of Executive Session and move back into Regular Session, 2nd by Tim Dougherty. No opposition. Motion carried. The Board moved back into Regular Session at approximately 4:03 p.m.

President Kennison entertained a motion to approve the lease with Tubal-Cain, as written by the Port's attorney, Glen James, conditioned upon S.T.A.R. Concrete signing the agreement to give up part of the parcel of land that they now have on the lease. Dave Aguillard made a motion to approve the lease with Tubal-Cain, as written by the Port's attorney, Glen James, conditioned upon S.T.A.R. Concrete signing the agreement to give up part of the parcel of land that they now have on the lease, 2nd by Scott Foreman. No opposition. Motion carried.

XIV. Public Comments

Police Juror Francis Andrepont reported on the Federal entities that have combined several hundred thousand dollars to help expedite the 210 bridge project. Mr. Andrepont stated the Police Jury has budgeted \$28 million to address the drainage issues around Calcasieu Parish. There was a brief discussion about the drainage issues that are a concern around Calcasieu Parish.

XV. Adjournment

President Dick Kennison adjourned the meeting at approximately 4:09 p.m.



President



Secretary