

## West Calcasieu Port Board Meeting Minutes

September 4, 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 September 4, 2018, at West Calcasieu Port, 200 Old Ferry Road, Sulphur, Louisiana.

### **II. Invocation**

Glen James led the invocation.

### **III. Pledge of Allegiance**

Pledge led by Dick Kennison 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
  - ✓ Tim Dougherty
- (Board Members absent were Wilmer Dugas and Scott Foreman.)

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

### **V. Approval of minutes of the August 7, 2018 regular monthly**

President Dick Kennison entertained a motion to approve the minutes of the August 7, 2018 regular monthly meeting. A motion was made by Dave Aguillard to approve the minutes of the August 7, 2018 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 additions or deletions to the proposed agenda at this time.

## **VII. Committee Reports**

There were no Committee Reports given at this time.

## **VIII. Port Director Report**

{Port Director Lynn Hohensee announced that the October 2<sup>nd</sup> meeting will be held at the Devall offices at the regular time of 3:00 p.m. Everyone should receive their invitations for the Devall steak dinner within the next 2 weeks. Lynn reported that the West Cal Chamber of Commerce will be holding its banquet in November. Lynn asked if the Board would like to reserve a table even though he, along with Darla and Dick, will not be able to attend. There was a brief discussion on who would be able to attend the banquet. Tim Dougherty volunteered to host a table for the Port.

Lynn stated he participated yesterday in a Coast Guard conference call regarding weather activity. There was no repair work yesterday or today at Calcasieu Locks. There were 1600 vessels with tows that wanted to get through, and they are trying to reduce that number as much as possible given the weather expected to come through Louisiana.

Lynn told the Board he is working with Judd Bares on the issue of how the waterfront on the south side of the Intracoastal is being used/misused by people that are moving dirt from the Cameron LNG site to the location across from the Port. Lynn stated he has aerial photos that show quite a considerable run-off into the Intracoastal, and he has shared this with the Coast Guard and DNR. Judd Bares has also showed it to several at the Parish. Lynn said they are getting mixed results. DNR has said it is a local issue, at the Parish level. Lynn stated that Col. Clancy told him that if he had any photos, send them. Lynn said he sent the photos to Col. Clancy about 10 days ago and has not received any response back. Lynn explained how the Port has always made sure that they jump through all of the proper regulatory hoops both at the State and Federal levels to make sure the permits are in order before any work is done at the port, along with paying considerable dollars to do so, and yet the people on the south side are able to do whatever they want without any repercussions up to this point.

Lynn stated that he explained to the State and Federal regulators that the Port's concern is when it gets really wet in the winter time, if there is a considerable slide of soil into the Intracoastal, that will be a severe problem for navigation. Considering the fact that the Port spent \$1.5 million dredging the barge basin across the waterway and they are dumping dirt back into it is not a level playing field. Lynn said he will continue to pursue this, but he wanted to make the Board aware of what was going on. There was a brief discussion regarding the dirt issue across from the port. Darla told the Board that the people on the south side have cut a boat slip straight into the Gulf Intracoastal Waterway using a bull dozer, and Chuck Stutes told her that there is no question that that act is illegal. Darla stated she can get another hydrographic survey done since they know the water depth was 10.0- when the dredge pulled out 2 weeks ago. There was continued discussion regarding the dirt on the south side.

Lynn reported to the Board that he was scheduled to go to the PAL meeting this Thursday at St. Bernard Port on the south side of New Orleans. Lynn said they have not cancelled the meeting, but he is worried about going and getting stuck over there due to the storm.

Lynn expects most Ports will not be attending since the storm is expected to head their way.

Lynn told the Board that they are still doing some fine-tuning on the lease agreement with Tubal-Cain. Lynn said he would defer to Glen and Dick if anyone had any questions on the issue. Glen James told the Board that he thought he would wait and discuss it in Executive Session.}

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

- Communications continue with Fidelity Fuels, Texas-based midstream fueling company, interested in setting up a fueling barge/station at the West Cal Port. In the meantime, the port will sell potable water to Fidelity using the water meter on the west side of the barge loading ramp in the port's west barge basin.
- 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.
- The port director is coordinating with Devall Towing to create interest in the port facilities with ongoing communications efforts with select LNG export terminal projects.
- A new lease agreement with Tubal-Cain Marine Services has been finalized.
- 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.
- 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.
- Final changes are being made to the SWLA Port Network brochure which is being printed through a grant by the SWLA Economic Development Alliance. In addition to hard copies being printed, the electronic copy will be available on the port website. Ports include: West Calcasieu Port, Port of Lake Charles, Port of Vinton, Cameron Parish Port and the Port of Mermentau.
- Early discussions have begun with Orion Marine Group re: renewing five-year option on lease agreement. The tenant's current five-year lease agreement ends during the summer of 2019.
- Met with Providence Engineering re: port's development.

#### **Port Operations –**

- Dredging activities at the port's west barge basin have been completed and the facility is in full operation.
- Devall Towing is moving forward with installation of dead men on port property west of the west barge basin.
- Tubal-Cain continues with its site improvements and infrastructure development.
- 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 facilitate their coordination of efforts for the port to secure Economic Development Administration (Dept. of Commerce) federal grant for port infrastructure development.
- 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.
- Multiple efforts are underway to address concerns about the loss of soil into the Gulf Intracoastal Waterway from recent civil work on the south shore of the waterway directly across from the West Cal Port. Currently, soil runoff is occurring. Long-term 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 August, the WCP director (and/or board members) represented the port at:
  - a. Annual Chamber/SWLA LegisGator luncheon

- b. Port tour for DOTD Port Priority Program new team, La. Commissioner of Intermodal Commerce, PAL business manager
- c. PAL board meeting
- d. PAL executive director search committee meeting
- e. 113<sup>th</sup> GICA annual conference
- f. Propeller Club meeting
- g. US Coast Guard ceremony at West Cal Port to honor Devall Towing
- h. Calcasieu River Waterway Harbor Safety Committee special meeting
- i. Chamber/SWLA business after hours
- j. PetroChem meetings
- k. United Way campaign kickoff breakfast

**News Media & Community Relations–**

- News release was distributed to local/trade news media re: completion of dredging at the West Cal Port's west barge basin.
- Ongoing media relations continue through the Lake Charles Ad/Press Club and other networking opportunities.

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

**FINANCIAL:** Darla Perry presented the July Financial Report and said that she has copies of the P&Ls and the balance sheets for the Board's review. Darla reported that the Port took in \$79,512.85 in July with \$19,083.42 being expended. Darla briefly explained some of the July disbursements and told the Board that the Mangrum AC bills will go away once the Tubal-Cain lease agreement is signed. Darla reminded the Board that the Port has been taking care of the air conditioner under the old lease, but Tubal-Cain will be responsible for all maintenance costs under the new lease.

Lynn explained to the Board that the advertising bill is not a monthly bill. Darla confirmed that and said the advertising is billed quarterly.

Barge days were 3,685 for July, which is 1,267 more than last year. There was no ramp revenue for July. Darla told the Board that she, along with Lynn and Chuck Stutes, met with Nikia Collins regarding the EDA grant that will be submitted by September 15<sup>th</sup>. Darla explained that the grant will be approximately \$3 million for infrastructure including bulkheading and a laydown yard.

Darla reminded the Board that due to boats being moved out of the harbor because of the dredging, there has been ongoing discussion about what the credit would be, if any, for the Devalls. Darla explained the Devalls had to lease another spot to move their barges out. Darla said she has received email correspondence from David Devall where David documented \$38,000 in expenses incurred. Darla stated she looked at how many boats were moved out of the harbor and the number came to \$24,000; but the Board needs to decide if the Port should compensate the Devalls for expenses incurred during dredging and, if so, how much. President Dick Kennison explained to the Board that were it not for Devall Fleet, the Port would not have had to spend the money for the dredging. President Kennison explained that the dredging has been done before, and the Port has never had to pay Devall a penny. There was a brief discussion between the Board and Lynn on the issue.

President Kennison suggested rejecting the payment in total along with offering David Devall the opportunity to make a presentation to the Board on behalf of the Devalls at the next meeting to open it up for discussion. Dave Aguillard made a motion to reject the offer made by the Devalls to compensate them for expenses incurred during dredging. Motion was 2<sup>nd</sup> by Tim Dougherty. No opposition. Motion carried.

President Kennison entertained a motion to accept the Financial Report as presented. Dave Aguillard made a motion to accept the Financial Report as presented, 2<sup>nd</sup> by Tim Dougherty. No opposition. Motion carried.

**ENGINEER:** There was no Engineer Report given at this time.

**LEGAL:** The Legal Report will be given during Executive Session.

## **X. Executive Session**

President Dick Kennison entertained a motion to go into Executive Session. Tim Dougherty made a motion to go into Executive Session, 2<sup>nd</sup> by Dave Aguillard. No opposition. Motion carried. The Board went into Executive Session at approximately 3:28 p.m.

President Dick Kennison entertained a motion to come out of Executive Session and move back into Regular Session. Tim Dougherty made a motion to come out of Executive Session and move back into Regular Session, 2<sup>nd</sup> by Dave Aguillard. No opposition. Motion carried. The Board moved back into Regular Session at approximately 3:37 p.m.

Attorney Glen James told the Board he would make the recommended resolution and someone can adopt the language for the motion. Mr. James resolved that West Calcasieu Port enter into a lease with Tubal-Cain Marine Services-Devall Fleet, Inc., a copy of which lease agreement will be attached to the minutes, with a commencement date of September 1, 2018. Tim Dougherty made a motion to adopt the resolution as stated by Mr. Glen James, 2<sup>nd</sup> by Dave Aguillard. No opposition. Motion carried.

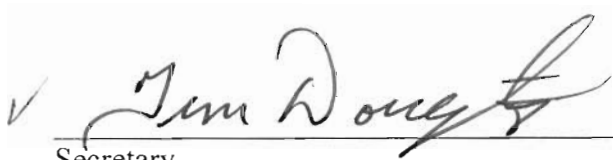
## **XI. Public Comments**

Police Juror Francis Andrepont reported that he spoke with Bryan Beam about the Port's request for funding to help with the road construction project. Mr. Andrepont announced that over the next 2 years, the Port will receive \$250,000 from the Calcasieu Parish Police Jury to help with the road construction project. Mr. Andrepont thanked Port Director Lynn Hohensee and Darla Perry for working real closely with him. The Board thanked Mr. Andrepont for his assistance and the funding from the Police Jury.

**XII. Adjournment**

President Dick Kennison adjourned the meeting at approximately 3:40 p.m.

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President

✓   
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Secretary