

# **West Calcasieu Port Board Meeting Minutes**

February 4, 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 February 4, 2014, at the offices West Calcasieu Port, 311 Gross Road, Sulphur, Louisiana.

## **II. Invocation**

Scott Foreman 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
- ✓ Scott Foreman

(Others also present at the meeting were: Lynn Hohensee, Chuck Stutes, Glen James, Darla Perry, Sheila Burton, Michael Brehm with River Barge Works and Mark Boudreaux with Orion Marine Group.)

## **V. Approval of minutes of the December 3, 2013 regular monthly meeting**

President Dick Kennison entertained a motion to approve the minutes of the December 3, 2013 regular monthly meeting. Dave Aguillard makes a motion to approve the minutes of the December 3, 2013 regular monthly meeting, 2<sup>nd</sup> by Wilmer Dugas. No opposition. Motion carries.

**VI. Approval of minutes of the January 7, 2014 regular monthly meeting**

President Dick Kennison entertained a motion to approve the minutes of the January 7, 2014 regular monthly meeting. Dave Aguillard makes a motion to approve the minutes of the January 7, 2014 regular monthly meeting, 2<sup>nd</sup> by Wilmer Dugas. No opposition. Motion carries.

**VII. Approval of minutes of the January 13, 2014 Special Meeting to approve bids on Ramp Roadway**

President Dick Kennison entertained a motion to approve the minutes of the January 13, 2014 special meeting to approve bids on Ramp Roadway. Wilmer Dugas makes a motion to approve the minutes of the January 13, 2014 special meeting to approve bids on Ramp Roadway, 2<sup>nd</sup> by Scott Foreman. No opposition. Motion carries.

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

President Dick Kennison welcomes Michael Brehm and Mark Boudreaux to the meeting. President Kennison introduces Mark Boudreaux and invites him to report on the piling situation. Mark Boudreaux reported, in regards to the piling that got pulled over, that Orion can offer the Port new pipe measuring 24" X 1/2", 3/8" thick, costing \$6,900. Mark stated they can have the new pipe delivered this Friday and the old pipe can be removed along with the new pipe being installed all on the same day. Lynn Hohensee asked for an estimate of the total cost. Mr. Broussard stated an estimate on Orion's cost would be around \$15,000 plus towing (pipe cost is included). There was discussion between Mr. Broussard and the Board regarding the condition of the existing pipe. Wilmer Dugas asked if the pipe has broken. Mr. Broussard stated the pipe has not broken, but they assume it has collapsed at the mud line. Mr. Broussard explained to the Board the process of pulling the existing pipe out and installing the new pipe. There was continued discussion regarding the pipe installation.

President Dick Kennison asked Attorney Glen James if the Port needed to go out for bids to have the pipe work done by Orion. Mr. James stated they did not have to go out for bids. Wilmer Dugas makes a motion to amend the agenda to add Item VII(a), 2<sup>nd</sup> by Tim Dougherty. No opposition. Motion carries.

**VII(a).** Wilmer Dugas makes a motion to give Orion Marine Group the authorization to do the work to remove existing pipe and install new pipe on the Ramp Project at the cost of less than \$20,000. Motion was 2<sup>nd</sup> by Tim Dougherty. No opposition. Motion carries.

Chuck Stutes asks to add an item to the agenda. Chuck said Geotechnical Investigation needs board review and approval to rehabilitate the existing bulkhead. President Dick

Kennison said he would suggest adding VIII(a) to the agenda. Tim Dougherty makes a motion to amend the agenda, 2<sup>nd</sup> by Wilmer Dugas. No opposition. Motion carries.

President Dick Kennison entertains a motion to add VIII(a) to the agenda. Tim Dougherty makes a motion to add VIII(a) to the agenda, 2<sup>nd</sup> by Wilmer Dugas. No opposition. Motion carries.

Chuck Stutes handed copies of the Geotechnical Investigation proposal to the Board. Chuck stated the proposal entails doing a field investigation by barge, necessary laboratory work, necessary geotechnical engineering on the barge project to rehabilitate the existing bulkhead. Chuck said he thought, since the cost is fairly significant, it should require board approval. Chuck stated the reason the cost is so significant is because the field investigation will need to be done with a barge over water instead of a truck-mounted drill rig and requires Jones Act insurance for the workers. Chuck said the estimated cost of the job will be \$52,480. Chuck recommended the board provide approval pending the receipt and execution of the Cooperative Endeavor Agreement from the State. Chuck said they are still waiting on the State to get the project funded in the order of \$905,000 for the construction, and he wouldn't want to authorize this much work until he knows for sure they will be receiving the \$905,000 to do the construction. Darla Perry said the Port is approved for the Cooperative Endeavor Agreement, but the final executed document has not been received yet.

President Dick Kennison entertains a motion to approve Geotechnical Investigation to do the work necessary to rehabilitate the existing bulkhead at the estimated cost of \$52,480 pending the receipt and execution of the Cooperative Endeavor Agreement from the State for construction in the amount of \$905,000. Wilmer Dugas makes a motion to approve Geotechnical Investigation to do the work necessary to rehabilitate the existing bulkhead at the estimated cost of \$52,480 pending the receipt and execution of the Cooperative Endeavor Agreement from the State for construction in the amount of \$905,000, 2<sup>nd</sup> by Tim Dougherty. No opposition. Motion carries.

**IX. Discuss and take action on approval of change order for electrical and concrete approach slab on new barge ramp**

Chuck explained to the Board the connection between the roadway and the ramp itself requires concrete bridge slab, concrete approach slab, steel guardrail and some electrical work. Since the last board meeting, Chuck said they have met with Entergy, and Entergy has given them the path they would like to use to install the electrical. Entergy would like the Port to go back to the doghouse and run from there for the service on the lighting and the motor on the ramp. If not, a separate service with a new transformer would have to be added. For security lighting, Entergy said they can drop that on one of the poles. Chuck said they will schedule a meeting with the Devalls and Entergy to discuss where they would like to have the security lighting installed. Chuck said there will be a monthly charge and possibly a small upfront charge of \$200 at the most. Darla said since that is Devall's meter, she spoke with Matt & Mike Devall to see if they would be agreeable to putting the service on their meter and the Port could adjust the ramp revenue to offset the cost. Chuck said the Devalls have also requested some work lights to be

installed that they can manually turn on and off when they are working at night. Chuck said they were going to receive a detailed cost breakdown of the project. Chuck recommended to the Board appointing a committee that can review the costs and give preliminary approvals to move forward and to also speak with the Devalls about negotiating the lighting portion of the project.

President Dick Kennison appointed a committee including himself, Darla Perry, Glen James and Chuck Stutes that can meet, when necessary, to review the costs and give preliminary approvals to move forward and to also speak with the Devalls about negotiating the lighting portion of the project. There was further discussion about the lighting issue.

Tim Dougherty makes a motion to accept the committee appointed by President Dick Kennison to authorize the committee to review the costs and give preliminary approvals to move forward and to also speak with the Devalls about negotiating the lighting portion of the project, 2<sup>nd</sup> by Wilmer Dugas. No opposition. Motion carries.

**X. Discuss and take action to Adopt Resolution to Declare Surplus Property to be sold or scrapped – Used Barge Ramp**

Lynn Hohensee offered a suggestion to the Board to allow Devall Towing to physically take out the old ramp, at no cost to the Port, and let them handle scrapping the materials. Dave Aguillard makes a motion to allow Devall Towing to dismantle the old ramp, at no cost to the Port, let them handle scrapping the materials, arrange for haul-off of materials, with the agreement the old barge is no longer usable and is of no value to the Port, 2<sup>nd</sup> by Wilmer Dugas. No opposition. Motion carries.

**XI. Committee Reports**

Lynn Hohensee reported that the Tenant Committee has not had any response back from Dr. Rhodes regarding the potential of retrofitting the casino barge. President Dick Kennison also brought up the fact they still have not heard anything from USES about the issues from the meeting 3 months ago. Lynn said a meeting is scheduled for 10:00 a.m. this Friday morning at the Devall Building with USES officials. Lynn said he and Darla Perry will be attending.

**XII. Port Director Report**

*{NOTE: The following report is a copy of the original sent out by Lynn Hohensee. Lynn stated at the meeting he needed to make a correction to his report. Under the 2<sup>nd</sup> bullet point under "Marketing/Business Development," the word "received" needed to be added to the end of the last sentence. Lynn also stated he has set up a meeting with a potential tenant on Thursday at the Devalls' facility. This could provide another tenant that provides marine services for the port. Lynn said he was going to speak to them about possibly being interested in leasing the Port's building.*

*Lynn said he spoke with Darla and Chuck about the insurance coverage at the Port and possibly looking at adding some property insurance in the future. There was further discussion about the Port's insurance. Chuck suggested getting insurance on the new barge ramp. Lynn said they will do some more research and bring a report to the March meeting for further discussion.*

*Lynn invited Michael Brehm to speak about activity at River Barge Works. Mr. Brehm reported they are waiting on pilings around the barges. They bought 3 new barges and still undecided where they will be used. Lynn asked how the business did in 2013 and whether they met their target business demand. Mr. Brehm said he is waiting on a call back with that information, but the business as a whole has been doing good. Mr. Brehm said the last 3 months have been better than they were last year. Darla Perry asked if the water issues have been resolved. Mr. Brehm said yes, they have.]*

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

- Port Director continues to work with the corporate real estate executive for Orion Marine Group in advance of negotiations of an extension to the OMG lease agreement with the port which expires in 2014. The port board tenant committee has met to consider an request for proposal (RFP) submitted on behalf of OMG and a reply was returned to the OMG corporate real estate executive. A reply has been received from Orion and will be considered by the port tenant committee in February.
- The port board's tenant committee provided a reply to a proposal from a local investor group interested in using the WCP as a base to retrofit a barge to accommodate lodging facilities. No response from the investor group has been.
- 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 tour provided to First Federal Bank management team. The bank is a bond partner with the port.

#### **Port Operations –**

- Great progress has been made on the construction/installation of the new barge-loading ramp funded by a grant from Devall Towing.
- The port board awarded the contract for road construction to the new ramp to Spell Construction. Initial work on the road construction has begun. The port expects the work to be completed by the end of the first quarter.
- The port engineer also has advertised for bids and has received bids re: work to be done in constructing a new hard-surfaced road to the planned loading ramp. Opening of bids is scheduled for Jan. 10.
- 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 board meeting
  - b. Calcasieu River Waterway Harbor Safety Committee meeting and CRWHSC navigation committee meetings
  - c. Chamber Gov't Affairs/Infrastructure committee
  - d. Propeller Club meeting
  - e. PetroChem board meeting
  - f. Boys Village board meeting
  - g. Funeral of Port of Vinton board president

- Port purchased table at annual Chamber/SWLA banquet.

#### **News Media & Community Relations–**

- Media day at the port to cover the installation of the barge-loading ramp was held with three local media providing reporting teams. Positive coverage resulted in the American Press, the Southwest Daily News and KPLC-TV.
- Extensive phone interview was conducted with reporter for Site Selection Magazine.
- Ongoing media relations continue through the Lake Charles Ad/Press Club and other networking opportunities.

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

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

**FINANCIAL:** Darla Perry gave the financial report. Barge days for July to December 2013 ran 20,341 for barges fledged. Compared to a year ago, Darla said they are up 4,000 barges. Ramp revenue is 27,850 for the first six months, compared to 33,000 a year ago. Darla said they are working with First Federal, and they are very involved with the Port's activities. Lynn said he feels First Federal would like to approach the Port in seeing if they would be interested in becoming a bank client. President Dick Kennison said he feels it would be a good idea to become a bank client of First Federal.

Darla said she has spoken with a FEMA representative about trying to get them to come out to look at the road to see if the Port can get more funding for the road project. President Dick Kennison entertains 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. No opposition. Motion carries.

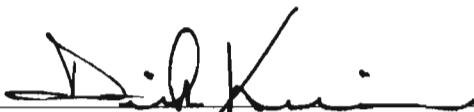
**ENGINEER:** Chuck reported on the Road Project. Chuck said the road project was approved at the special meeting on January 13. The contract documents were sent to the contractor. The contractor signed the documents and sent them back. President Dick Kennison signed the documents last Friday, along with the notice to proceed which was dated yesterday. Chuck said the contract has now been filed with the courthouse. Lynn asked if there is an estimate of time. Chuck said their required contract time is 60 days. President Kennison asked if the ramp is now fully operational. Chuck said it is operated by a generator running the motor until the electrical is done. After electrical is installed, they will do a true start-up. Lynn said that along with the electrical being installed, the water line to the waterfront needs to be installed for USES.


### **XIV. Public Comments**

There were no public comments at this time.

XV. Adjournment

President Dick Kennison adjourned the meeting at approximately 3:35 p.m.

  
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President

  
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Secretary