

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

April 5, 2016

## **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 5, 2016, at West Calcasieu Port, 200 Old Ferry Road, Sulphur, Louisiana.

## **II. Invocation**

Wilmer Dugas led the invocation.

## **III. Pledge of Allegiance**

Pledge led by Lynn Hohensee 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
- ✓ Dave Aguillard
- ✓ Tim Dougherty

(Scott Foreman was absent from the meeting.)

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

## **V. Approval of minutes of the March 1, 2016 regular monthly meeting and the March 29, 2016 special meeting**

President Dick Kennison entertained a motion to approve the minutes of the March 1, 2016 regular monthly meeting and the March 29, 2016 special meeting. A motion was made by Wilmer Dugas to approve the minutes of the March 1, 2016 regular monthly meeting and March 29, 2016 special meeting, 2<sup>nd</sup> by Tim Dougherty. No opposition. Motion carried.

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

Darla Perry announced the Ethics Report is coming up May 15<sup>th</sup> and asked to place that on the agenda for discussion. President Dick Kennison said he would add that as item VI(b).

President Dick Kennison stated that he would add as item VI(a) the discussion on the property at 130 Gross Road.

### **VI(a). Discuss the property at 130 Gross Road**

Darla reported to the Board she received the appraisal back on March 16<sup>th</sup>. There was a discussion whether the issue needed to be moved into executive session. President Dick Kennison asked if it could be discussed in general terms without going into executive session, and Attorney Glen James stated it could be discussed in general terms without going into executive session. Darla Perry stated she shared the price the Port could offer with the owner, and the owner emailed a response back with a price lower than what they were requesting. Darla said she told the owner that that was the most the Port could offer in addition to the contingencies of environmental study and the zoning to industrial. Darla said she hasn't heard any other response past that. There was a brief discussion regarding the property and zoning. President Kennison suggested that Darla continue communications with the owner; and if a price can be agreed upon, a special meeting can be held or the item can be placed on the agenda for May's board meeting.

### **VII(b). Discuss the Ethics Report**

Darla reminded the Board that the ethics report is due to the Louisiana Ethics Board in Baton Rouge on May 15, 2016. Darla stated it's a Tier 2.1 that's required. The Board discussed whether they received their copies of the report. Darla explained that it might take approximately 20 minutes to fill out the form, and she offered assistance on any questions the Board may have when filling out their forms.

## **VII. Committee Reports**

There were no committee reports at this time.

## **VIII. Port Director Report**

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

*{Port Director Lynn Hohensee passed out copies of the new brochure for the Port. Lynn stated he had a letter from the Board going to George Swift at the Alliance thanking them for the grant worth \$774.11 to print 1,000 copies of the brochure. Lynn said the brochure was designed by the O'Carroll Group.}*

*Lynn reported that the Tenant Committee met and decided to offer to River Barge Works a portion of the waterfront east of Orion Group. Lynn said they gave River Barge Works a price per linear foot and a price per acre. Lynn told the Board he*

*heard from Mike Boise last week, and he is in the process of looking at the area. Lynn said the Tenant Committee will continue to work with them on the issue.*

*Lynn stated that Cemex carries loads of dirt out onto the roadway when it rains, and it makes the Port main entrance look dirty. Lynn told the Board he would speak to Cemex about keeping things cleaner around the Port's main entrance. Lynn said he spoke with Tubal-Cain before the meeting today, and they are very impressed with the relationships between port tenants and are very happy at the port. Lynn stated that he spoke with Superior Steel Company, and they are under contract with Tubal-Cain to help develop the other part of the land.*

*Tim Dougherty asked about the issue that was brought up last month regarding the gate and cards used coming into the port. Lynn asked whether not renewing the maintenance contract with Nash will have an effect on the overall support for the cards. Darla answered no, it should not. Darla said that instead of having a one-day response time, it will have a two-day response time plus \$30 more per hour on the charge per hour. Lynn said he would follow up with Nash regarding the cards for S.T.A.R. Concrete. Lynn stated that as tenants need new cards for their employees, they are attempting to provide the cards to them. There was a brief discussion regarding the cards.*

*Lynn reported the Port will be helping Propeller Club with their fundraiser this Friday. Lynn announced that he will serve as the secretary for PAL this year, followed by another position next year and then president the following year.*

*Lynn told the Board that Shane Williams, the new secretary for DOTD, has the support of the Governor to possibly increase the 19.9 million port priority funding to 38.9 million. Lynn said there seems to be a lot of value in the new Administration for supporting the ports of Louisiana.*

*Lynn reported there was a news release done yesterday regarding the bulkhead project. Lynn told the Board that Kelly Clark, a Propeller Club leader for many years, was killed in a car accident a couple weeks ago. Lynn said he will keep the Board posted on the future of the leadership for the Propeller Club.}*

#### **Marketing/Business Development/Retention --**

- The port director continues to meet with Devall Towing and the Port of Vinton re: early 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.
- The port director has been contacted by a major contractor interested leasing property starting in 2017 in support of SWLA regional economic industrial expansion. A non-disclosure agreement has been reviewed and signed.
- Recent communications with Peetey Wade, GHD Consultants re: progress of funding efforts for the port to receive federal Homeland Security grant, indicates that letters are being prepared to Louisiana federal delegation an initial step in securing the federal grant dollars.
- Port director was elected to the executive committee of the Ports Assn. of Louisiana during the PAL annual conference and will serve as secretary for 2016-17.

#### **Port Operations –**

- Following up on a competitive bidding process, the port board of commissioners approved the winning bid for waterfront infrastructure improvements along the Gulf Intracoastal Waterway.
- Port bond attorney continues to move forward with effort to obtain additional bonding dollars for the port.
- Tubal-Cain efforts to move forward with wetland delineation documentation with the USA Corps of Engineers.
- S.T.A.R. Concrete Pumping Company continues to work on plans for improving exterior driveways.
- 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 improvements on the old Devall Diesel Building and is moving forward with site improvements west of the west barge basin.

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

- In March, the WCP director (and/or board members) represented the port at:
  - a. PAL annual conference and monthly board meeting
  - b. Propeller Club
  - c. CRWHSC quarterly meeting
  - d. West Cal Chamber/Commerce lunch meet
  - e. Petrochem meeting

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

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

*{President Dick Kennison entertained a motion to accept the Director's Report as presented. Wilmer Dugas made a motion to accept the 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 reported progress has been made on the Tubal-Cain lease. Glen reminded the Board about the issue of extending the lease on the Devall Building, whereby asking for no additional rent for 18 months. Glen said what has now been proposed is Tubal-Cain would have the Devall Building for 18 months but can extend it, if reasonably requested in writing by the Tenant, due to delays in obtaining permits for Tenant's operations on the premises or construction delays on the premises, but only in the event that at the time of Tenant's request, due to construction delays, Tenant has expended at least \$250,000 for construction or alterations or improvements to the premises.

President Dick Kennison asked how much Tubal-Cain is paying a month presently on their lease. Darla Perry answered \$7500 plus water fees. There was further discussion regarding the lease and the addendum to the lease. Glen James said he recommends doing the proposed addendum. Tim Dougherty made a motion to accept the proposed change on the addendum to the lease, 2<sup>nd</sup> by Dave Aguiard. Glen stated the lease itself has already been approved; so he will get the addendum changed, executed and filed. No opposition. Motion carried.

Regarding the S.T.A.R. lease on the Tresco site, Glen reported they still don't have a lease in place and not understanding the reason why. Lynn Hohensee said he will

continue to work with Bart Riley to get this resolved. Glen said he has sent the proposed lease and has never received a response. There was a brief discussion regarding S.T.A.R.'s lease. Glen stated he is not asking for Board action but just letting the Board know that at this point it's a month-to-month rental. There was continued discussion regarding the S.T.A.R. lease. Police Juror Judd Bares suggested expressing to S.T.A.R. that the month-to-month rental isn't open-ended and that there could potentially be other interested parties that would want that space. Lynn thanked Mr. Bares for bringing up that point and said he would share that with S.T.A.R. to try to get it resolved quickly.

**FINANCIAL:** Darla Perry reported the Port took in \$106,585 in rents and utility revenue for the month of February. Under Disbursements, there was \$77,250 on the rehabilitation of the bulkhead. Darla stated the Net was \$13,753. There was no ramp revenue for February. Year to date on the ramp, the Port is down \$21,850 compared to last fiscal year. Barge days for February were 1,951. Darla said for year to date, the Port is trailing by 4600 due to the oil and gas industry and possibly the Devalls not getting all off their barge days billed out due to accounting issues. Darla said she has alerted Devall's CFO and their Board members to the discrepancies. Wilmer Dugas made a motion to accept the financial report as presented, 2<sup>nd</sup> by Tim Dougherty. No opposition. Motion carried.

**ENGINEER:** Chuck Stutes reported on the rehab of the bulkhead around the Devall Building. Chuck said the contracts have been awarded. The construction contract has formally been awarded to Orion Marine Construction. Chuck said he and Darla have put a package together that's required by the Facility Planning Office in Baton Rouge. Chuck said the package was mailed, and all of the approvals are back. Chuck stated that at this point the contract has been signed, and they are waiting on a complete insurance certificate from Orion. Once that is in place, Chuck said the contract can be filed at the courthouse and will be official. Chuck said he will need to get some signatures after the meeting on a Notice to Proceed and also on the first payment. Chuck stated they will not see a lot of progress on the project since it takes around 3 months to get all of the materials. Tim Dougherty asked if there were going to be any tie-backs, and Chuck answered no because it wasn't really practical.

Chuck reported there is a Capital Outlay bill out there, but he doesn't think it's been voted on yet by the Senate. Chuck stated that in the draft that's out there, the money for the rehab bulkhead project is fully in place in Priority 1, \$1.3 million, fully funded cash.

Chuck stated the other Capital Outlay project, the bulkhead on the Intracoastal Waterway, the Priority 5 money has been pulled. All they have is Priority 1 money with \$200,000 and that's it; there is no follow-up. Chuck said they will need to speak with the project manager to see what their intent is and what can/cannot be done with the money. There was a brief discussion regarding the project.

With regards to the ramp, Chuck reported that George with Devall gave him the name of a company that was having issues with the ramp. Chuck said he is having a hard time getting someone to return his calls. Chuck asked Lynn for his help to get a contact to see if they can get in the company's yard to measure the trucks and take photos of the trucks. Lynn told the Board that if the other construction projects go forward, S.T.A.R. Concrete

will not be able to bring their big trucks over the 210 bridge for the next couple years. So they are talking with Devall about loading their big trucks onto a deck barge and moving the trucks over to the work sites that way, which will mean the ramp will be used at that time. Lynn said he also feels there may be opportunities for people to look at West Cal Port as a lay-down facility and load-up facility not only by crane but driving on deck barges which will give another use for the ramp.

**X. Executive Session**

There was no executive session at this time.

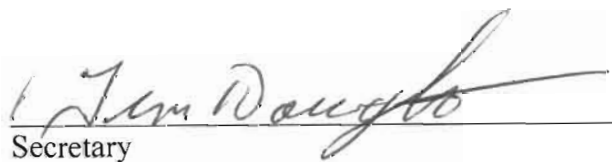
**XI. Public Comments**

There were no public comments at this time.

**XII. Adjournment**

President Dick Kennison adjourned the meeting at approximately 3:45 p.m.

  
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President

  
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Secretary