

West Calcasieu Port Board Meeting Minutes

June 4, 2019

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 June 4, 2019, 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 Port Director 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
 - ✓ Tim Dougherty
 - ✓ Wilmer Dugas
- (Dave Aguillard and Scott Foreman were absent.)

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

V. Approval of minutes of the May 7, 2019 regular monthly meeting

President Dick Kennison entertained a motion to approve the minutes of the May 7, 2019 regular monthly meeting. A motion was made by Wilmer Dugas to approve the minutes of the May 7, 2019 regular monthly meeting, 2nd by Tim Dougherty. 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 reported that the Tenant Committee met last week to listen to information regarding a potential tenant, Accu-TRANS, who is interested in setting up a marine fueling operation at the port. Lynn said they have come highly recommended by the Devalls. Lynn told the Board that he, along with Chuck Stutes, has met with Accu-TRANS and given them a tour of the port. Accu-TRANS is interested in the 200 feet of linear waterfront in front of the green house along with the green house itself. Lynn said they have not discussed a price, but the normal rate that has been used in the past for waterfront is \$10 per linear foot per month. The current acreage price is \$1750 an acre per month, and the cost for renting the green house would be \$3,000 per month. Lynn said they would also be buying generous amounts of water from the Port, so work may need to be done on the water line. Lynn stated they are waiting right now for a plot map/land schematic of what they envision their needs are. Lynn said they also discussed permitting and whether any dredging needed to be done on the waterfront. Lynn thinks it is a good opportunity for the Port to add another tenant that will bring another service to the port for the customers of Devall Towing. Lynn reported that the barge count today was 126 barges.

President Dick Kennison asked Lynn to speak about the conversations they have had with Stream Land Services. Lynn reported that Stream Land Services is continuing to be the front company for the dredging activity associated with the construction of the Driftwood LNG project. If that project comes to fruition, which is highly likely, they will need to move approximately 6 to 8 million cubic yards. Lynn briefly reminded the Board of Stream Land Services' plans of pipelining spoils under Hwy. 27 over to the port. Lynn approximates the project to take 2 years, and they will be interested in leasing the yellow building for office space where they plan on building a boat ramp nearby to allow them to raise their boat out of the water when not in use.

Tim Dougherty asked if surveying has been done in the area where Accu-TRANS is interested in leasing. Chuck Stutes answered, "not in that area." Lynn stated that that will be something the new tenant will need to do on their own, to see exactly what the conditions are. Lynn said that is not a priority to them right now. President Kennison mentioned that Accu-TRANS is also looking for a long-term commitment. Lynn said it looks very encouraging, and he will keep the Board informed. Lynn stated he informed Accu-TRANS that, as a public entity, the Port cannot move on a moment's notice because there are procedures that need to be followed along with approval of the Board to make sure it's in the best interest of the Port.

VIII. Port Director Report

{Port Director Lynn Hohensee announced that Orion will keep their property for one more year since they have a series of one-year extensions on their lease agreement. Lynn said he met with Tubal-Cain representatives last Thursday, and the company is going through a name change. Lynn briefly explained the reason for the name change. Eddie Van Huis, President of Tubal-Cain, told Lynn they could not be happier with the layout and arrangements of what they have at the port and that they would like to have the first opportunity to lease the property where Orion is located now, if ever Orion decides to leave the port. President Kennison told the Board and Attorney Glen James that he feels Tubal-Cain will need to be a guarantor of this agreement regardless of whomever else is

involved in it. Glen said he did a quick search through the Secretary of State, and the name change has not been registered as of yet. There was a brief discussion about Tubal-Cain changing their name and how it will affect the lease. Lynn asked Glen, Dick, Darla and Chuck to email him with a list of questions they may have and he will then put them in an email to be sent to Tubal-Cain. President Kennison told the Board he feels Tubal-Cain has been a good tenant, paying on time, and they have lived up to the agreement; however, it is a concern that this is the second name change in a year or two. President Kennison stated that since the original lease was with Tubal-Cain, he feels they need to remain the guarantor no matter what else happens since they were the first ones. There was continued discussion regarding Tubal-Cain. Glen said he assumes he will be hearing from Tubal-Cain's attorney soon.

Lynn announced that David Devall sent out Devall's 2019 Hurricane Plan, and he shared it with all of the tenants out at the port, along with all of the board members, to inform them of what takes place at the port in the event of a hurricane.

Lynn said they are moving ahead with certification of the port, and it will cost a little more than \$10,000. Once the port property is certified, it will put the port in a marketing category where prospective tenants will know that the port is shovel ready. Lynn said this is a progressive step for the port. There was a brief discussion about the certification.

Lynn announced that the Coast Guard change of command ceremony will be July 10, 10:00 a.m., at the Civic Center. Public is invited. President Dick Kennison told the Board that he will be out of the country on July 9. Lynn reminded the Board that the next board meeting will be July 2nd and asked if that was ok with everyone. Everyone was ok with having the meeting on July 2nd .}

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

Marketing/Business Development/Retention –

- The port continues discussions with an established company interested in setting up marine fueling operations at the West Calcasieu Port. A port tour was conducted for the prospect.
- Port remains in contact with Stream Land Services. Stream is interested in establishing an auxiliary dredge spoil pump station on port land that will support the movement of spoils by pipeline from the proposed Driftwood LNG Export Terminal site to beneficial use spoil reception areas west of the port. Tellurian also is interested in possibly establishing a staging site at the port for pipe during installation of the pipeline. Interest for the site of the pump station remains focused on two port locations. The facility may need 3 Phase electricity support.
- Orion Marine Group has informed the port that it will extend its lease one year through August 2020, based on the existing lease agreement leasing options.
- 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.
- 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. An MOA (memorandum of agreement) has been signed that initiated the process. Estimate of cost to the port has been received.

Port Operations –

- The port is continuing to work through a number of administrative issues associated with the \$4.2 million EDA federal grant for port infrastructure improvements.
- Tubal-Cain continues with its site improvements and infrastructure development. T-C commissioned its new marine vapor control/internal flare unit in May. T-C management has expressed total satisfaction of its operations at the WCP.
- Entergy 3 Phase electricity is now available at the port.

- Insurance adjustor visited the port to review the damages involving the north awning on the STAR Concrete Bld., which was damaged by wind. Two bids have been received. Final guidance from the insurance company is pending.

Professional Organizations & Networking –

- In May, the WCP director (and/or board members) represented the port at:
 - a. PAL board meeting
 - b. Meet @ Port/Lake Charles with Army Corps/Engineers and staffers for Congressman Higgins
 - c. Propeller Club meeting
 - d. BV board meeting
 - e. Seabulk Towing crawfish boil

News Media & Community Relations–

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

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

LEGAL: There was no legal report given at this time.

FINANCIAL: Darla Perry gave the financial report for April. Darla reported barge days year to date, for the past 10 months, are 33,952 compared to 32,401 last year. Darla said the barge days have been going above 100 every day, so she feels confident this year will be better than last year. With regards to the cash flow, Devall sent in 2 payments this month. Darla stated what is missing on this report is the lease for new tenant Atlantic, but she did collect their payment in May and they have already paid for the month of June. Darla explained to the Board the \$1,000 under Disbursements is for the security deposit paid back to S.T.A.R. Concrete, who gave up their lease; also, this is the first month showing payments to Mr. Fincher for lawn maintenance. Overall cash flow for April was \$106,741.46. Lynn and Darla praised Mr. Fincher for the great job he is doing on the lawn maintenance.

Darla reported that she is still working on EDA, and they are still reviewing data for the \$4.2 million grant. Darla said she feels positive that the Port will be able to get the grant. Darla said she applied for a \$400,000 security grant for fencing under Homeland Security after Lynn mentioned it at the last meeting.

Darla said she is still holding on to an invoice from IMCAL to renew the Port's membership. Darla told the Board the Port paid \$3,000 for the membership last year. Darla explained she is holding off paying it because IMCAL currently does not have a department that can assist the Port with anything. President Kennison asked if this will affect the Port receiving the EDA grant. Lynn explained that he feels the Port is close to finding out if they will receive the grant; and if they get it, it will be worthwhile to pay the membership fee. Darla said she feels they will hear within the month whether they receive the grant.

Darla reported she has filed and is waiting on the dollar amount on the insurance claim from the damage done to the S.T.A.R. building roof. Darla said she has also requested for the insurance company to come out and assess the roofs on all of the buildings in case

there was hail damage from the hail storm that happened recently. There was a brief discussion regarding the hail storm and damage to the area.

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

ENGINEER: Chuck reported the dredging has been completed. The only active project going on is the roadway project, and Chuck stated they are finishing the engineering on that and should have the survey company putting stakes out to show the center line of the road by the next board meeting. Chuck explained there will need to be a lot of trees taken out in front of the green house because either the trees or their canopies are within the right-of-way. President Kennison asked if it would be worthwhile to seek out someone that would like to have the trees for firewood and would be willing to take them down. Attorney Glen James reminded the Board of liability issues in doing that. There was a brief discussion about having someone come and take the trees down and haul off the wood.

Chuck told the Board his goal is to finish the plans in July and send them to DOTD to get authority to advertise for bids. Chuck asked Darla if she got the check regarding the dredging, and Darla stated she did. President Kennison asked if there was any chance the roadway project could be started by the end of the year. Chuck answered yes, definitely, that they should be receiving the bids in September and should be able to start by the end of the year. There was a brief discussion regarding drainage around the new road.

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

X. Public Comments

There were no public comments at this time.

XI. Adjournment

President Kennison adjourned the meeting at approximately 3:31 p.m.



President



Secretary