

West Calcasieu Port Board Meeting Minutes

February 6, 2018

I. Call to order

Vice President Wilmer Dugas called to order the regular meeting of the West Calcasieu Port at approximately 3:00 p.m. on February 6, 2018, at West Calcasieu Port, 200 Old Ferry Road, Sulphur, Louisiana.

II. Invocation

Dave Aguillard led the invocation.

III. Pledge of Allegiance

Pledge led by Tim Dougherty and recited by all board members and guests.

IV. Roll call

Tim Dougherty conducted a roll call. The following persons were present:

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

(Board Members Dick Kennison and Scott Foreman were absent.)

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

V. Approval of minutes of the January 2, 2017 regular monthly

Vice President Wilmer Dugas entertained a motion to approve the minutes of the January 2, 2018. A motion was made by Tim Dougherty to approve the minutes of the January 2, 2018 regular monthly meeting, 2nd by Dave Aguillard. 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. Introduction of new fleet manager for Devall Enterprises

Darla Perry introduced David Devall as the new fleet manager for Devall Enterprises. Darla gave a brief history of David's experience in the towing industry. Darla explained that David will be automating a lot of the fleeting reports she receives on a daily basis. Darla said that David has already made milestone progress in the last 3 weeks on the reports that she receives.

VIII. Consideration and appropriate action concerning bids received on the West Barge Basin Improvements, Basin Dredging, State Project No. H.012471(321)

Chuck Stutes passed out packages to the Board concerning the bids received on the West Barge Basin Improvements, Basin Dredging. Chuck explained that this is a DOTD funded project, and they are funding 90% of the construction costs with the remainder being funded by the Port. Chuck stated that they received 6 bids on January 23rd, and since that time they have been evaluating the bids. Chuck told the Board there were some issues with the bid for Mike Hooks. The bid was non-responsive and could not be accepted due to some math issues and blanks that were not filled in. Chuck announced that the lowest bid came from Coastal Dredging Company, Inc., with a total base bid of \$1,334,020. Chuck said their bid is in order, and they are about 6% lower than the Engineer's Pre-Bid Estimate. Chuck told the Board that based on the 6 bids received, Meyer & Associates is recommending that the West Calcasieu Port enter into a construction contract with Coastal Dredging Company, Inc., for the West Barge Basin Improvements, Basin Dredging, State Project No. H.-12471(321).

Chuck said that all of this will be pending the concurrence by DOTD. Once the Board has made its decision, Meyer & Associates will gather all of the paperwork and send it to DOTD. Dave Aguillard asked Chuck where Coastal Dredging Company, Inc. was from. Chuck answered that they are from Hammond, Louisiana. Chuck stated that although he is not familiar with the company, he has checked their credentials; and they do have a Louisiana State contractor's license. Chuck said in looking at their website, they own 4 dredges; and they have been in business for approximately 20 years. There was a brief discussion about the companies that sent in bids and the issues with the bid sent in by Mike Hooks. Chuck explained that DOTD requested a written opinion on the bid from Mike Hooks since they will be providing 90% of the funding. Chuck told the Board that they got with the Port of Lake Charles' attorney and had him issue a verbal opinion, and then Glen James furnished a written opinion to DOTD stating that the bid was not valid and should be rejected. Port Director Lynn Hohensee said that the DOTD attorney concurred with the opinion given by Glen James. Lynn told the Board that he spoke with some of the DOTD staff last Thursday, and they told him that this is not unusual for them. Chuck explained that in his experience, this is very common and that almost every bid will have at least one non-responsive bid.

Lynn asked Chuck if he had a rough timeline as to when the Port could expect the construction work on the levee and the dredging work on the basin to begin. Chuck explained that they will first gather all of the documents together and send them to DOTD, which will be done tomorrow. Chuck said they can email them. The DOTD will then have to issue a letter of concurrence, which Meyer & Associates should receive by next week. Chuck stated that once that is done, Meyer & Associates can proceed with doing the actual contract documents, which are then sent to the contractor. The contractor then has 10 days to fill the papers out and get their payment performance bond

done and sent back to Meyer & Associates. The documents are then filed at the court house, and a pre-construction meeting is scheduled at that time. Chuck explained that it should take roughly 30 days between getting the documents and the pre-construction meeting. Chuck told the Board the contractor should begin work on the levees in March with the actual dredging beginning in April or May. Lynn stated that all of the tenants that use the basin will be invited to the pre-construction meeting. There was a brief discussion regarding the coordination of the work being done by the contractor and the other tenants.

Police Juror Francis Andrepont gave a brief explanation of how the working economy of Calcasieu Parish compares with other areas in the State at the present time. Chuck told the Board that DOTD is requesting 2 specific resolutions for the Board to pass, and he feels he needs to read both Resolutions into the minutes.

First Resolution read into the minutes by Chuck Stutes as follows:

“Resolution Certifying Compliance With The Public Bid Laws – WHEREAS, the West Calcasieu Port has solicited bids for State Project No. H.-12471(321) in accordance with the current bid laws of the state of Louisiana, including, but not limited to R.S. 38:2211 et. seq; and

“WHEREAS, the West Calcasieu Port has submitted to DOTD Certification of proof of publication, one (1) copy of the bid proposals and bid bonds as submitted by each of the three (3) lowest bidders, a legible copy of the bid tabulation of all bids received, and certified to be correct by the Engineer and an authorized official of the Sponsor, a copy of the engineer’s recommendation, contract documents, Notice of Award of Contract, and a copy of the recordation data in the Clerk of Court’s Office.

“NOW, THEREFORE, BE IT RESOLVED by the West Calcasieu Port, in Regular session, assembled on this 6th day of February, 2018, does hereby certify that the bidding procedures comply with Louisiana Revised Statutes 38:2211, et. seq.”

And the CERTIFICATE to be signed by Tim Dougherty, Secretary, stating: “I hereby certify that the above and foregoing is true and correct copy of the resolution adopted at a Regular meeting of the West Calcasieu Port held on the 6th Day of February, 2018, in which a quorum was present and voting and that the resolution is still in full effect and has not been rescinded or revoked. Signed at Sulphur, Louisiana on the 6th Day of February, 2018.”

Chuck Stutes recommended doing a resolution for each one separately. Dave Aguillard made a motion to adopt the Resolution Certifying Compliance With The Public Bid Laws as read into the minutes, 2nd by Tim Dougherty. No opposition. Motion carried.

Second Resolution read into the minutes by Chuck Stutes as follows:

“Resolution – Award Project – WHEREAS, the West Calcasieu Port has received bids on January 23, 2018 at 10:00 AM on the West Barge Basin Improvements, Basin Dredging port improvements project under the Louisiana Port Construction & Development Priority Program; and

“WHEREAS, Meyer & Associates, Inc., has recommended that award of contract be made to the lowest qualified bidder, Coastal Dredging Company, Inc.

“NOW, THEREFORE, BE IT RESOLVED by the West Calcasieu Port, in Regular session, assembled on this 6th day of February, 2018, acting pursuant to the recommendation of Meyer & Associates, Inc. that the Base Bid in the Amount of \$1,334,020.00 by Coastal Dredging Company, Inc. be accepted and a contract be awarded to them.”

Tim Dougherty made a motion to adopt the resolution to award project as read into the minutes, 2nd by Dave Aguillard. No opposition. Motion carried.

Chuck Stutes requested that Port Director Lynn Hohensee, Vice President Wilmer Dugas, and Secretary Tim Dougherty remain present after the meeting adjourns to sign all of the documents so that they can be sent to DOTD in the morning.

IX. Committee Reports

There were no Committee Reports at this time.

X. Port Director Report

{Port Director Lynn Hohensee shared a map with the Board and explained that this is something he has been working on with David Richard at Stream Wetland Services for over a year. Lynn explained that the map is a proposed method that Stream Wetland Services will assist Driftwood LNG project with moving dredge spoils from the site to spoils receiving areas to the west of West Cal Port, south and north of the Intracoastal. Lynn said there will be a pump station at West Cal Port on the southwest corner of the spoils reception area where Tubal-Cain is presently located. Lynn explained the expected volume that they expect to move in that system is over 8 million cubic yards. Lynn said the map was made available to the public during the Harbor Safety Committee meeting last month.

Lynn stated that the Port will play a very important role in the development of the project in the support of Stream Wetland Services of not only getting the spoils out but also using the spoils in an environmentally beneficial manner to help fill in a lot of open area water to create new marshland north and south of the Intracoastal. There was a brief discussion regarding the map. Lynn explained that this is all predicated on the approval of the Driftwood FERC permit, which is expected later this year. Driftwood’s project cost is estimated at \$16 billion.

Lynn told the Port he noticed earlier today on the property vacated by Cemex there was some storage of wood matting. Jerry Jones from Orion told Lynn that Entergy has a big project of replacing and raising the elevation of older lines going across Clifton Bridge Terminal on the Calcasieu River. Entergy has contracted with Orion to trans load the matting onto barges and take the mats out to the work site. However, Entergy’s barges got held up at the work site which backed them up a couple days. So that is why the mats are being held at the Port. Lynn said they will be gone within 2 or 3 days.

Lynn announced that the Port Association of Louisiana's annual conference will be held at the Golden Nugget March 5-7. The Port of Lake Charles will be the lead host; but the Cameron Parish Port, Port of Vinton and West Cal Port will also assist in hosting the event. West Cal Port will do a \$1,000 silver sponsorship.

Lynn told the Board he has had a chance to meet with Mike Boies of River Bargeworks. Lynn said he wanted to let him know about the dredging plans and the fact that they have 2 barges still at their location at the Port. Lynn stated that although they have not used their location at the Port for quite some time, they are still paying their monthly lease agreement. Lynn said Mr. Boies told him that he is working with salvagers on the 2 barges, and they believe one can be moved out while the other one will need to be cut up in place. Lynn said he also gave him a name of a company in Houston that might be able to help. Mr. Boies anticipates it will be between 3-4 weeks before they have their 2 vessels out of the barge basin. Lynn said that will not be a conflict with the dredging activity.

Lynn said he learned earlier today that there is a company called Danya, which is a split-off from the 5-S Company, that is actively working with Cameron LNG to help relocate 200,000 cubic yards of dirt from the Cameron LNG project. Lynn stated that both Danya and 5-S are vying for this business from Cameron LNG. Lynn said that 5-S called him this morning and informed him that dirt will begin to be hauled from Cameron LNG to Ivan Johnson's property where Black Lake Leasing is located across from the Port, and they will be stacking the dirt at a height of almost 30 feet. Lynn said he feels this is hearsay at the moment because this is the first he is hearing about it; but if that were to happen, the big concern would be that if they do it too close to the shoreline, the dirt could begin sifting into the Intracoastal. Lynn said he told 5-S that he doesn't know how they could proceed without permission from the Parish, the State, the Corps of Engineers, DNR and Coastal Management.

Lynn stated he will be meeting with Creed Romano from Entergy to see if he can begin certification of the land the Port has available north and east of Orion. Tim Dougherty asked if there was a Government shutdown if that would affect the Port. Lynn answered no because the funding is coming from the State and has already been set aside for the Port. Chuck Stutes further explained that the Port has a written agreement with DOTD for DOTD to provide the funds.

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

Marketing/Business Development/Retention –

- The port entered into a short-term contract with Mike Hooks, LLC for the parking of MH employee vehicles on one acre at the port. The five-month lease began on Jan. 17.
- Communications continue with Tubal-Cain Marine Services re: a new lease agreement with focus on new port property to be improved and occupied by the company.
- The port continues to work with prospect interested in limited lease of property at the port for several years.
- 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.
- The port board of commissioners voted unanimously to renew the port's pledge to the SWLA Economic Development Alliance Foundation. The five-year pledge to Foundation is \$3,500 (\$700/year – 2018-2023).

Port Operations –

- The port received six bids for dredging approximately 140,000 cubic yards of spoils from the port's west barge basin. Once the port board approves the winning bid it will be awarded and announced. Work is expected to begin in April.
- A severe winter freeze over a couple of days in January resulted in damages to water lines at the port. The port coordinated with Carlyss water district to make repairs.
- 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

Professional Organizations & Networking –

- In January, the WCP director (and/or board members) represented the port at:
 - a. PAL monthly board meeting
 - b. Chamber/SWLA 114th annual banquet
 - c. West Cal Chamber lunch meeting
 - d. BV board meeting

News Media & Community Relations–

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

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

LEGAL: Glen James announced that he has had written confirmation that there has been a favorable decision in the Louisiana Supreme Court Case that West Cal Port had previously joined in an amicus curiae brief, which was St. Bernard Port vs. Violet Dock. Glen gave a brief explanation about the case. Glen explained that although it was decided by a 4-3 decision, there is a further issue regarding the issue of public purpose that will come up on rehearing; and the Port is being asked to support the position of St. Bernard Port in the rehearing. Glen said the Port will be joining in on the brief for the rehearing. Lynn and Glen explained the importance of supporting St. Bernard Port.

FINANCIAL: Darla Perry presented the Financial Report. Darla reported the Port took in \$104,842.14 with a net positive of \$92,674.21. Darla told the Board she has the full set of financials if anyone wants to look at anything. Darla reported the barge days for the month of December were 3077. Ramp lease had \$1800 for the month of December. Darla said they just signed for a pest control contract for the 2 buildings at 200 Old Ferry Road. Darla stated she has also been working almost daily with Ms. Salinas on the lot that is for sale. Darla said she is asking \$95,000 for it; and Jack Bass is redoing the appraisal to see how much it has gone up in the last 2 years. Darla explained that whatever the appraisal comes in is what the Port will have to offer. There was a brief discussion about buying the property for sale.

ENGINEER: Chuck Stutes reported that work had begun on the new port entrance road, but it has kind of been put on hold to see what happens with the sale of the Salinas property. Chuck said that if the Port acquires the property, they should look at moving the road further east approximately 100-120 feet.

Chuck reported that he is awaiting comments from the facility planning and control manager on the documents that were sent to them about 6 weeks ago on the new bulkhead along the Industrial Canal. Chuck said they requested to see the engineering

contract including all of the proposals for surveying and geotechnical permitting; and they may need to schedule a meeting with the representatives soon.

Lynn asked if there was anything else on the barge loading ramp. Chuck explained there was a request for proposals from contractors to re-grate the road in front of the ramp such that the trucks entering the ramp will be going in the down position instead of the up position. Chuck said they sent out a package with a few drawings requesting proposals. Chuck explained they are not actual bids but are just estimates to see what the cost would be so the Board can make a decision. Chuck said he estimates the cost would be around \$75,000 but would like to get some firm numbers from 3 contractors. There was a brief discussion about the ramp. Mike Devall explained there are some issues with the hydraulic hoses. Chuck said he would follow up on it and call Jerry to reissue a quote because it is a maintenance issue.

XII. Executive Session

There was no Executive Session at this time.

XIII. Public Comments

Francis Andrepont commended the Board for the work they are doing at the port. Mr. Andrepont announced that the budget for Calcasieu Parish this year is \$233 million. Mr. Andrepont told the Board that he will not be seeking re-election on the police jury, but he is still available to help the Port any way he can. Vice President Wilmer Dugas thanked Mr. Andrepont for everything he has done for the port.

David Devall asked that with all of the work going on on the west side of the west fleet, the first phase of the dredging, will that clear up any area on the west end. Lynn explained that there is an agreement with Tubal-Cain that they will work with the Devalls in getting things set up to fleet barges parallel to the shore line where the west barge basin ends out to the end of the port property. Lynn said there is a proposal for Tubal-Cain to install monopiles out there to give Devall additional fleeting spots. Lynn explained the long-term plan is to seek funding support from DOTD to get another round of basin expansion. There was further discussion regarding the west barge basin. Mike Devall told the Board he feels they will need more fleeting space in the future. There was continued discussion about expanding the fleeting space in the basin. Lynn told the Devalls that he understands they are trying to seek more spaces because they anticipate more growth in the fleeting, and the Port will try to accommodate that as best they can. Mike Devall reviewed some of the issues that are going on at Devall Towing.

XIV. Adjournment

Vice President Wilmer Dugas adjourned the meeting at approximately 4:01 p.m.

President 

Secretary 