

## West Calcasieu Port Board Meeting Minutes

May 7, 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 May 7, 2019, at West Calcasieu Port, 200 Old Ferry Road, Sulphur, Louisiana.

### **II. Invocation**

Wilmer Dugas led the invocation.

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

Pledge led by Scott Foreman 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
  - ✓ Scott Foreman
- (Dave Aguillard was absent.)

(Others also present at the meeting were: Lynn Hohensee, Chuck Stutes, Darla Perry, Glen James, David Devall, Donald Brinkman of CSRS Engineering and Sheila Burton.)

### **V. Approval of minutes of the April 2, 2019 regular monthly meeting**

President Dick Kennison entertained a motion to approve the minutes of the April 2, 2019 regular monthly meeting. A motion was made by Wilmer Dugas to approve the minutes of the April 2, 2019 regular monthly meeting, 2<sup>nd</sup> by Scott Foreman. 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. Discuss and take action on amended Joint Service Agreement for West Calcasieu Airport Managing Board Proposed Amendment**

President Kennison explained that the Airport Managing Board had to have their Joint Service Agreement amended to allow a person to serve on the Board that does not reside in Calcasieu Parish yet works in Calcasieu Parish. There was a question regarding the wording of the amendment. Darla Perry read a portion of the amendment as follows:

“To be qualified electors of Calcasieu Parish and to reside within Wards 4 and 7 plus the city limits of Westlake is now considered too restrictive for board members who reside outside that area but remain actively interested/involved in business of/management of West Calcasieu Airport. Therefore, it is amended to delete this paragraph upon effective approval by 2 of the 3 sponsors.”

President Kennison confirmed that the Port Board needs to have a resolution to ratify the amendment to the Joint Service Agreement. Darla also explained that the second part is the per diem of \$100 per meeting for the board members. There was a brief discussion regarding the two parts of the proposed amendment for the Joint Service Agreement.

**VII (a).** President Kennison entertained a motion to have a resolution to ratify the amendment to the Joint Service Agreement in regards to deleting the paragraph stating, “To be qualified electors of Calcasieu Parish and to reside within Wards 4 and 7 plus the city limits of Westlake is now considered too restrictive for board members who reside outside that area but remain actively interested/involved in business of/management of West Calcasieu Airport. Therefore, it is amended to delete this paragraph upon effective approval by 2 of the 3 sponsors.” Wilmer Dugas made a motion to have a resolution to ratify the amendment to the Joint Service Agreement in regards to deleting the paragraph as stated above, 2<sup>nd</sup> by Scott Foreman. No opposition. Motion carried.

**VII(b).** President Kennison entertained a motion to have a resolution to ratify the amendment to the Joint Service Agreement in regards to allowing the board members of the West Calcasieu Airport Managing Board to receive a per diem of \$100 per meeting. Scott Foreman made a motion to ratify the amendment to the Joint Service Agreement in regards to allowing the board members of the West Calcasieu Airport Managing Board to receive a per diem of \$100 per meeting, 2<sup>nd</sup> by Tim Dougherty. No opposition. Motion carried.

**VIII. Ratify/approval lease changes with Atlantic Equipment & Surplus, Inc. (name change)**

Attorney Glen James explained that the Port approved a lease with General Equipment, but the company’s name needs to be changed to Atlantic Equipment & Surplus, Inc. Port Director Lynn Hohensee explained that they are 2 independent companies, but they work in tandem. Lynn briefly explained the business of the 2 companies. Lynn said that Atlantic Equipment & Surplus, Inc., is the business that will be leasing from the Port; and they will be storing scaffolding, concrete barriers and similar type supplies. Mr. James explained that the reason it is a ratification is because the Port has already executed the lease. There was a brief discussion regarding the location of the supplies being stored.

Tim Dougherty made a motion to ratify/approve the lease changes with Atlantic Equipment & Surplus, Inc., 2<sup>nd</sup> by Scott Foreman. No opposition. Motion carries.

## **IX. Committee Reports**

There were no Committee Reports given at this time.

## **X. Port Director Report**

{Port Director Lynn Hohensee introduced Donald Brinkman to the Board and stated that Mr. Brinkman is a former port engineer for the Port of Lake Charles and is now working for CSRS Engineering where he is assisting the Port with a couple of activities:

(1) Mr. Brinkman is working with Darla Perry to set up some kind of path forward to get the administrative part of the EDA grant to the point where the office in Boston will do the approval. (2) Mr. Brinkman is also helping the Port with the site certification of the land that the Port has been working on with Gus Fontenot from the Seed Center. Lynn explained that the Seed Center partners with Entergy and the Louisiana Economic Development, who oversee the project and provide 75% of the cost of doing the certification. Lynn told the Board he will turn the meeting over to Mr. Brinkman to answer any questions they may have regarding these 2 activities.

Mr. Brinkman gave the Board a report stating that they are beginning to tabulate the proposals that were sent in, and it is between 40- and \$45,000 that will be given to LED for final approval. Mr. Brinkman explained that his company works as the administrator of the program for LED. Wilmer Dugas asked if the Port would be responsible for the \$45,000. Mr. Brinkman answered no, that the \$45,000 is the total fee that could be charged; and then the Port would be responsible for 25% of the total fee. There was continued discussion of the process.

Darla Perry further explained to Mr. Brinkman that the Port has already done a lot of environmental work, notifications with the grant project; and she doesn't want the Port or LED to spend money on things that have already been done. There was continued discussion regarding all of the environmental work Blaine Johnson did and whether that would help to reduce the cost. The Board thanked Mr. Brinkman for coming to the meeting and giving his report.

Lynn reported that he and David Devall met with 2 representatives from AccuTRANS. Lynn told the Board they have had a long-standing relationship with the Devalls and would like to come to the Port to set up fueling operations on the waterways. Lynn asked David to further explain the services AccuTrans would like to provide at the port.

David Devall explained to the Board that AccuTrans (CGB) is a very well-run company, and the Devalls buy fuel from them in Houston. David explained the differences between the former companies that have come to the port to do fueling business compared to AccuTrans. David gave the Board recommendations of places around the port where AccuTrans could set up and how they will run their business. There was a brief discussion about the fueling business opportunities in the area and how AccuTRANS's marketing team is working hard to promote their business. There was continued discussion about possible locations around the port to place AccuTrans.

Darla asked David if he could recommend any models of revenue regarding through-put, base rates for fuel to see what the industry shows. David said he will check. There was a brief discussion regarding the types of fuel and how clean the fuels would be coming in and out of the port. David reassured the Board the fuels are clean, and they will be contained in one area. Tim Dougherty asked if the ship channel is deep enough and if they can get close enough. David answered that he feels they can put a stationary barge there, like one of Devalls' day barges. Chuck Stutes stated that they will not need to have a Corps permit. David said they will have to have a restricted area so no one can get on the barge, and it will be a simple process.

Lynn announced that Orion is no longer looking at the green house on Old Ferry Road for their engineering offices. Lynn says they also haven't spoken any more about adding trailers to their existing property. Orion will be sending information to Lynn and Darla to give to Glen James regarding the renewal of their lease sometime next week. Lynn said their lease isn't up until August, but they have to let the Port know in June what their intent is.

Lynn told the Board that William Fincher has done a great job power washing the buildings and repairing all of the downspouts that were needing repair. Lynn asked Glen James about the liability issues with Mr. Dronier cutting the hay at the Port. Mr. James explained that he is an independent contractor, and the Port is not liable for his actions; however, the Port does have general liability insurance. There was a brief discussion regarding Mr. Dronier cutting the hay.

Lynn announced Thursday morning at 9 am Tubal-Cain will be commissioning their new internal flare system at the port. Lynn said they have done some impressive things with the aesthetics of the area, and it looks really good. Lynn stated that Tubal-Cain does not need to have the gates closed since it does not fall within the TWIC requirements.

Lynn told the Board that he will also be meeting with one of the representatives of the insurance company on Thursday to view the damages on the north side of the S.T.A.R. Concrete Pumping building.

Lynn said he has met with the new Coast Guard Commander and Lt. Commander and took them on a tour from the Isle of Capri all the way out to the jetties to give them a good view of the waterways along the Intracoastal. A formal change of command ceremony will be held at the Civic Center on July 10<sup>th</sup>. Lynn showed the Board a map he was given courtesy of the "River Pods" that's in the process of being revised, but Lynn said it is an extremely informational document that was very well done.

Tim Dougherty asked when the work will be done on the dredge spoils. Lynn said he read that Driftwood received their full FERC approval and will be starting construction in a few months on civil engineering. Lynn said they are still talking about pipelining the dredge spoils in the area of the port to set up a booster station to pipe it out further west. Chuck Stutes asked if Driftwood has made a final investment decision, or are they still waiting. Lynn stated he hasn't heard anything, but he thinks that's the final step.

Lynn announced that President Trump will be making an appearance at Cameron LNG next week.

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

**Marketing/Business Development/Retention –**

- Atlantic Equipment & Supply has become a new tenant at the port as of April 1. The company is leasing two fenced acres.
- 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 a location east of the NE corner of the spoils. The facility may need 3 Phase electricity support.
- Orion Marine Group continues to express interest in possibly leasing additional property at the port. Orion interest is now focused on the green house. An Orion team toured the green house. Discussions also continue with Orion Marine Group re: renewing option on lease agreement.
- 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 initiates the process.
- Port tour was conducted for US Dept. of Transportation.
- SWLA Port Network member ports and Calcasieu River Pilots provided guided orientation boat tour of the Calcasieu River Waterway (LC to the jetties) for the incoming commander and executive officer for the Lake Charles Marine Safety Unit. Change of command will occur on July 10.
- Attended Joint House/Senate Transportation Committee hearing.

**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 plans to commission its new marine vapor control/internal flare unit in May.
- Discussions continue with T-C and Entergy officials re: 3 Phase electricity support to the port.
- Negotiations continue with local contractors re: repair the north awning on the STAR Concrete Bld., which was damaged by wind. Two bids have been received.

**Professional Organizations & Networking –**

- In April, the WCP director (and/or board members) represented the port at:
  - a. PAL annual conference and board meeting
  - b. PAL reception/dinner for Joint House/Senate Transportation Committee
  - c. Calcasieu River Waterway Harbor Safety Committee meeting
  - d. Chamber/SWLA business after hours
  - e. SWLA gov't affairs/infrastructure committee meeting
  - f. PetroChem meeting
  - g. West Calcasieu Chamber business after hours
  - h. Propeller Club golf tourney (Devall team)
  - i. Christus/St. Pat's Children's Miracle Network reception
  - j. Moran Shipping crawfish boil

**News Media & Community Relations–**

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

Wilmer Dugas made a motion to accept the Port Director's Report as presented, 2<sup>nd</sup> by Scott Foreman. No opposition. Motion carried.

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

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

**FINANCIAL:** Darla Perry reported that the barge days for March were 3,004. David Devall explained that March was still slow due to the high water in the Mississippi River and the ITC that shut Houston, Texas down almost a month. David said that May is already showing better numbers. Darla reassured the Board that year to date the barge days are still 1,999 ahead compared to last fiscal year. Darla reported that there was no ramp revenue for March and asked David if he knew why. David said he has no cause for the ramp revenue and that the only thing they are doing differently is Tubal-Cain using the barge area to fleet. Darla asked if they are paying a fleet space, and David said they are paying double. Lynn reassured the Board that if there was a need for the ramp that Tubal-Cain could easily move.

Darla reported they did not receive a payment from Devall in March because they received two in April. Deposits for March totaled \$37,589.29. Darla stated there were some extraordinary expenditures including commercial professional liability and the revenue bond payment. Darla reported the Port is down to \$445,000 left owing on the bond. Darla said the cleaning fees were high in March because the previous maintenance guy was behind on billing three invoices. Net Cash Flow for March was \$(101,020.04), but Darla reassured the Board that the budget is still better than projections to date.

Darla told Wilmer Dugas he still needed to do his Tier 2.1 report. Darla told the Board she asked the bidders to do comparable quotes for the building quotes. Ave Maria came in at \$32,300; and Angelico came in at \$27,340. Darla said this will all be subject to the insurance adjuster, but she wanted to have some quotes to present to him.

**ENGINEER:** Chuck reported they are working on some drawings and other documents required by DOTD on the closeout of the maintenance dredging project. Chuck said they should be the last 2 documents that have to be submitted, and they are holding Darla's money until they are received. So, Chuck has put the draftsman on this as priority, and they should be ready today.

Lynn asked Chuck if he has any timeline on when the bids will be going out on the roadway. Chuck answered he does not, but he will have it for the next meeting. Chuck said they have to be submitted to DOTD for approval before they can go out for bids.

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

## **XII. Public Comments**

There were no public comments at this time.

**XIII. Adjournment**

President Kennison adjourned the meeting at approximately 3:52 p.m.

  
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President

  
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Secretary