

# **West Calcasieu Port Board Meeting Minutes**

January 6, 2015

## **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 January 6, 2015, at the offices West Calcasieu Port, 311 Gross Road, Sulphur, Louisiana.

## **II. Invocation**

Mayor Chris Duncan 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:

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

(Others also present at the meeting were: Lynn Hohensee, Chuck Stutes, Darla Perry, Glen James, David Tauber, Mike Brehm, Mike Boies, Will Guinn, Alfred Devall, Mayor Chris Duncan, Francis Andrepont and Sheila Burton.)

## **V. Approval of minutes of the December 2, 2014 regular monthly meeting and the December 8, 2014 special meeting**

President Dick Kennison entertained a motion to approve the minutes of the December 2, 2014 regular monthly meeting and the December 8, 2014 special meeting. Tim Dougherty gave a summary of the minutes of the special meeting held December 8, 2014 as follows:

Invocation led by Dave Aguillard. Scott Foreman led the Pledge of Allegiance. Persons present: Wilmer Dugas, Dave Aguillard, Scott Foreman, Tim Dougherty, Darla Perry, Glen James, Will Guinn. There were no amendments or deletions. Item on the agenda was to discuss and take action on Cemex Cement of La., Inc.. A motion was made by Tim Dougherty, 2<sup>nd</sup> by Dave Aguillard, to accept the lease agreement with Cemex Cement of La., Inc.. No opposition. Motion carried.

Wilmer Dugas made a motion to approve the minutes of the December 2, 2014 regular monthly meeting and the December 8, 2014 special meeting, 2<sup>nd</sup> by Tim Dougherty. No opposition. Motion carried.

**V(a).** President Dick Kennison invited the tenants/guests present at the meeting to do a brief introduction and/or speech. David Tauber announced they are selling fuel and will soon get a water line installed. Port Director Lynn Hohensee told Mr. Tauber he received an email from Ken at Carlyss Water District telling him they ordered the equipment and will hopefully have the water line done within 10 days. President Kennison thanked Mr. Tauber and welcomed him to the port. Lynn also explained that part of Tauber Oil's marketing strategy is to offer potable water and take care of trash for customers that purchase fuel.

Mike Boies announced they just completed their 3<sup>rd</sup> year of operation at the port and thanked the Board for their support. Mr. Boies explained to the Board they have 5 barge slots that they utilize for cleaning with 2 of the slots being used by their own crane barge and equipment. Mr. Boies said he is losing a revenue spot by needing to use one of the slots for his crane barge, and he is also experiencing damage to his barge due to tow barges and the current. Mr. Boies said he has had 2 barges damaged and is asking for the Board's help to come up with a solution to fix the problem.

Mr. Boies also asked the Board for permission to bring in temporary containers (30' X 8' each) for a 2-week trial to pump the coke into and then off-load to trucks to eliminate the use of the receiver barge. Mr. Boies said the temporary containers would be located between the shore wires, between the blacktop road and the revetment. If the temporary containers work, Mr. Boies said he would come back to the Board at that time to discuss a more permanent structure. Mr. Boies announced they cleaned 440 barges at the port last year. Lynn asked Mr. Boies if there will be any environmental impact on the soil if they move their operations on land. Mr. Boies answered they are permitted for dry cargo only, no hazardous materials. Mr. Boies said they discharge right back to the water and take samples every day, which are reported weekly to the DEQ. Mr. Boies further explained the product would be handled through hoses coming into the tanks and then, to empty the tanks, a backhoe would be used to place in liner vessels and trucked out of the port. There was further discussion about how disposal of the product takes place and location of the temporary facility.

Wilmer Dugas made a motion to give Mr. Boies, on behalf of River Barge Works, permission to bring in temporary containers for a 2-week trial period to pump coke into the containers and then off-load it to trucks to see if they can eliminate the use of the receiver barge to free up one of their barge slots. Tim Dougherty 2<sup>nd</sup> the motion. No opposition. Motion carried.

Will Guinn with Cemex Cement of La., Inc., reported they have been moving in equipment over the past couple weeks. Due to weather conditions, there was a delay in preparing the land for the 2 plants. Mr. Guinn said they plan on having 2 of the plants standing by the end of next week. Mr. Guinn stated he spoke with Ken at the Carlyss Water Department, and they hope to be tapped into the 6-inch water line main by Friday. Mr. Guinn welcomed the Board and any tenants that would like to tour their facilities and asked that they abide by company policy and wear hard hats when they are in and around the work site. There was further discussion about Cemex Cement's operations and plans at the port. Mr. Guinn asked the Board members where they could buy water for their water truck temporarily until the water line is connected. Darla Perry stated they could tap into one of the meters at the port. Port Director Lynn Hohensee suggested contacting Jerry Jones at Orion. Lynn said Jerry could provide help on how to read the meters at the port and how to provide the readings to Darla Perry.

Alfred Devall reported that the fleet numbers are up this year from last year. Mr. Devall said he predicts the numbers will continue to go up every year for the next several years with all of the expansion. Mr. Devall said having the other tenants at the port like USES, Tresco and Tauber helps bring in more barges and work for everyone at the port. Mr. Devall reported that the traffic of the large 30,000-barrel barges has increased over the last 2 years due to port tenants offering services like barge stripping and cleaning.

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

There were no amendments, additions or deletions to the agenda.

#### **VII. Committee Reports**

Tim Dougherty told the Board he and Darla spoke with Percy LaPoint about doing some mowing and ditch cleaning. Darla stated she has spoken with Mr. LaPoint twice since that meeting, and he is engaged to do the work as soon as the weather permits and he can get his equipment in.

#### **VIII. Port Director Report**

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

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

- USES management has completed its walk-through tour of the Devall Diesel building and is preparing a report that will be provided to the port re: their relocation from their existing building to the DD building.
- An in-state prospect received a tour of the West Calcasieu Port and is considering leasing acreage in the port's spoils reception area for a staging area for marsh buggies.
- 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.

- The port was represented at the International Workboat Tradeshow in New Orleans and aggressively promoted the port and its value to the maritime community to numerous possible prospects. The port worked out of a booth provided by the La. Dept. of Economic Development. LED also provided tradeshow registration for the port.
- Toured other port operations with tenant.
- Work continues on a script for a video for the port's website.

#### **Port Operations –**

- Daily barge fleeting numbers exceeded 100 nearly every day in December.
- Orion Marine Group completed the bucket dredging of the Tauber Oil slip and the barge loading ramp slip following scheduling conflicts for a support barge and weather delays. More than 500 cubic yards of soil was extracted, loaded on dump trucks and deposited in the ports spoils reception area. OMG arranged for wooden mats to be laid down on the ground near the revetment where the trucks were positioned to minimize the rutting of the land due to wet conditions.
- Devall Towing positioned the Tauber Oil barge into place following the dredging activity.
- Tauber Oil has also expressed an interest in having a water line installed to their slip area. The Carlyss Water District has been contacted re: the cost of the 2-inch line/meter and installation. Ken at the district will provide that information. The port will pay for the meter and Tauber Oil will be billed for the costs associated with the installation of the line (horizontally drilled beneath the blacktop road) from the existing east-west 6-inch line down to their location. Tauber Oil will purchase water from the port and make it available to its customers.
- CEMEX Concrete of Louisiana has met with Carlyss Water District to order a 3-inch line/meter for installation. All materials have been ordered. Again, the port will cover the cost of the meter and rebill the remainder of the invoice to CEMEX. CEMEX also has begun staging equipment at their leased area at the port. Orion Marine Group has relocated all but a few pieces of pipe from that lease area.
- River Barge Works had a new crane delivered to the port. Orion Marine Group assisted with loading the new crane on a River Barge Works work barge. Devall Towing assisted in moving the barge/crane to the RBW leased slip area in the west barge basin where it will replace the older barge/crane equipment.
- Interface sent a team to the port (at the port's request) to service/clean the security camera equipment. One camera will need replacing and several cameras needed minor parts replacement.
- The port director, port CPA and port engineer traveled to Baton Rouge and met with a state official re: our capital outlay requests. The information shared with the port team was extremely beneficial and the guidance received will better position the port as it attempts to use capital outlay funding support to improve infrastructure and expand the footprint of the port.
- Efforts continue by our port engineer and his staff to address and correct operational issues with the port's main security gate system.

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

- In December, the WCP director (and/or board members) represented the port at:
  - a. International Workboat Tradeshow
  - b. West Calcasieu Chamber of Commerce monthly meeting
  - c. PAL board meeting
  - d. Chamber/SWLA Gov't Affairs/Infrastructure Committee meeting with SWLA Legislative Delegation
  - e. Christus St. Patrick's holiday reception
  - f. Meyer & Associates holiday reception
  - g. HGA holiday reception
  - h. Ad/Press Club holiday reception
  - i. Delivered holiday trays to tenants

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

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

*[NOTE: Lynn announced the Port has a table at the annual Chamber Southwest Louisiana Banquet on Thursday, January 29<sup>th</sup>. Lynn asked for names of who would like to attend. There was discussion about who wanted to attend the banquet.*

*President Dick Kennison stated he had a couple meetings with the Port of Vinton's President Charles Broussard as well as discussions with Lynn Hohensee regarding the arrangement between the Port of Vinton and LEH Communications whereby Lynn Hohensee would be taking a position as Port Direct for the Port of Vinton along with also continuing as Port Director for the West Cal Port. President Kennison stated he did not see any conflict of interest with Lynn working with both ports. Lynn stated there would also be the benefit of his fee being split in half between the two ports. President Kennison congratulated Lynn and expressed his gratitude for his integrity and work ethic.]*

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

**FINANCIAL:** Darla Perry gave the financial report. Darla reported that the Port took in \$88,684 for the month of November without River Barge Works' payment, since they had 2 payments in December. Expenditures were a little higher due to audit fees. Net cash flow was \$67,282. Barge days are running an average of over 100 barges per day. Ramp revenue has not been as much as expected, but Darla said she feels it will pick up. Darla stated the tenants have the new water rate structure that was approved 2 months ago and went into effect this month. Darla said she is working with Chuck's office to map out where the water meters are so the water company can renumber the meters to make the rebilling process easier. Darla reported the capital outlay, port priority and FEMA appeal are all moving along.

Wilmer Dugas asked to amend the agenda. President Kennison allowed Mr. Dugas to speak. Wilmer Dugas announced there was a request by Sheila Burton, the minutes recorder, to increase the monthly salary from \$150 to \$200. Wilmer Dugas makes a motion to add this item to the agenda, 2<sup>nd</sup> by Tim Dougherty. No opposition. Motion carries.

Wilmer Dugas makes a motion to increase the monthly salary of Sheila Burton, the minutes recorder, from \$150 to \$200; 2<sup>nd</sup> by Tim Dougherty. No opposition. Motion carries.

**LEGAL:** Glen James stated he had the Cemex Cement of LA, Inc. lease all signed and is just waiting on the survey to attach as an exhibit.

**ENGINEER:** Chuck Stutes reported he, along with Darla and Lynn, went to Baton Rouge and met with the project manager over the 2 capital outlay projects. Chuck stated they are filling out the necessary paperwork on the first project which will provide approximately \$1.3 million in State funding with a match of \$1.3 million from the port for restabilization of the bulkhead around the building and land purchases. The 2<sup>nd</sup> project has to go back before the State Legislature next session.

Chuck reported that River Fence Company came out and fixed everything on the gates, but now there are other issues with the gate that have happened since then. Chuck told Lynn they need to schedule a meeting with River Fence Company to go through everything and figure out the best way to handle it. Lynn suggested getting an invoice from River Fence Company showing the cost of repairs and sending that to US Fence Company along with a letter from the attorney asking for reimbursement. There was further discussion about the fence issue.

Darla reported that January 28<sup>th</sup> they should be installing the awning back onto the building, and they will be doing more cement pilings where the columns go next week.

Darla asked for clarification about what Mike Boies from River Barge Works was requesting regarding the barge slips. Lynn explained if River Barge Works could get the monopiles installed by Orion, then that would eliminate the need for the 5<sup>th</sup> barge slot. There was further discussion about River Barge Works and the pilings.

**X. Executive Session**

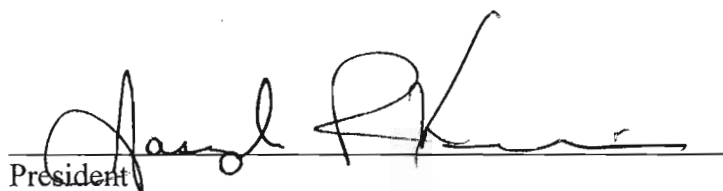
There was no executive session at this time.

**XI. Public Comments**

President Dick Kennison acknowledged and thanked Mayor Chris Duncan and Police Juror Francis Andrepont for attending the meeting and for all of their support.

**XII. Adjournment**

President Dick Kennison adjourned the meeting at approximately 3:43 p.m.

  
President

  
Secretary