

GULF COAST METHANOL COMMUNITY ADVISORY PANEL

WEDNESDAY, FEBRUARY 7, 2018

MINUTES

The Gulf Coast Methanol Community Advisory Panel met on Wednesday, February 7, 2018 at Fill-a-Sac in Belle Chasse, Louisiana. Those attending included the following:

CAP Members

Clay Boudreaux
Rosa Dusang
Paul Gelpi
JoAnn Hebert
Pearl Jennifer
Burnedette Johnson
Sam Lavalia
Conrad Lawrence
Warren Lawrence
Tommy Moore
Ben Tucker
Darilyn Turner
Cassandra Wilson

IGP Methanol Representatives

Randal Harris
Keith Vidalin

CB&I

Elizabeth _____

TJC Group

Stephanie Boswell

CAP members, Bonnie Aycock, Bob Boudet, Angela Crossen, Wilkie Declouet, Andrea Declouet, Bryan Ernst, Rose Jackson, Robert Sengelmann, Sal St. Philip, Pearl Sylve, and Howard Weiser, were unable to attend. After everyone was welcomed, the minutes from the November meeting were reviewed.

Current Gulf Coast Methanol Updates

Mr. Harris provided the following updates:

1. The air permit for the plant was issued on January 4, 2018.
2. IGP is following the zoning changes process at the council meetings.
3. CB&I has been selected as the engineering / procurement / construction (EPC) contractor for the plant.
4. IGP plans to have an address for the plant next month once the building location is decided. The Gulf Coast Methanol staff and CB&I staff will be set up at the building.
5. Over the next several weeks, equipment will be brought onto the site for Geotechnical Engineering to perform borings at various locations to determine the design of the structures and buildings.

Mr. Vidalin provided the following updates:

1. The basic engineering design package was started in early January. It includes the design parameters, specifications, process design, equipment specifications, materials types, etc.

2. CB&I will start planning and strategy for the full EPC package. The strategic planning stage will turn preliminary design work into work preparation for the detailed design plan for equipment activities, procurement, logistics planning for construction phases, gathering cost estimates, schedules, staffing and performing traffic studies. This should be done by August or September 2018 with IGP in the position to file its final contract with CB&I.
3. Site studies, engineering studies, soil inspections for potholes, foundations, water drainage, etc. will be completed prior to the construction start. The geotechnical study will be done by Eustis Engineering (a local company) and the U.S. Corps of Engineers.
4. Additions will be made to the Project Management team (primarily from Louisiana) with the work to be done in Houston initially and then onsite.
5. The storm water / waste management plan has been submitted. IGP must comply with that permit and all permits. The burden of analyzing samples is upon the person requesting the permit and is required to be validated by LDEQ. Persons who issue false information and the person signing off on the information's accuracy are subject to a fine or imprisonment. In the finished design, there will be certain areas that are paved with concrete with a small berm inside to catch potential releases (primarily oil, and to a lesser extent methanol); gravel area (outside the process area but still inside the plant); and normal storm water management. The rainwater will go through the first flash pond and will be tested and treated. Rainwater in the gravel area will go through testing, and all areas with methanol will be contained in the concrete area. Any rain in that area will go into a closed drain system for treatment. All of the banked areas will contain the tank farm. Although it is rare for a large spill from a tank, containment is there to keep it in should it happen.

Answers to questions and comments included the following:

1. The exploration permit was filed with the Department of Natural Resources, approved by the coastal agency, the U.S. Corps of Engineers, and finally by the Parish Council in August.
2. The purchase of the property will be completed within the next week or two.
3. Monitoring is required by the permit. IGP has an agreement with CK Environmental (Baton Rouge) for environmental monitoring on a long-term basis. The information will be analyzed and submitted to LDEQ for validation. Once the plant is operational, IGP will do its own monitoring. Environmental updates will be given at CAP meetings. IGP will maintain 100 feet of the tree line by the levee and the levee is being evaluated for elevations, equipment placement, etc. The site must be able to handle a certain amount of rainfall over time. IGP is looking at the levee for external flood protection and internal storm water management.
4. The plant will be built to withstand winds up to 155 MPH.
5. The levee design will have controls and a higher elevation (probably about 13 feet) and the control room, electrical rooms, and the mechanical equipment will be elevated.
6. The process block will be shut down during hurricanes.
7. The plant won't be built above the levee, but the DCS will be located on the second floor. Control elements will be located in various locations of the plant.
8. The levee will begin eroding if breached. The levee is 17 feet height and the breach could reduce it by 3-4 feet, so a 13-foot levee should be sufficient. If the current plan is followed, it is likely that a pumping station will be added. CAP members will be informed when the information is available.
9. A CAP member stated that there are not enough staff people to staff the current pumping stations.

10. There is a greater risk for a storm surge from the East Bank. The plant will be designed to handle all of these conditions.

Contractor Update

Ms. _____ stated that CB&I is working with IGP to engage in local hiring, recruitment, procurement, business supply chain, etc as well as health and safety, construction, and environmental matters. CB&I is in the community to cover regulatory and community impact and mitigation. CB&I has 40,000 employees worldwide (primarily in Texas and Louisiana). Over 3,000 people from the Greater New Orleans area have been employed by CB&I over the last few years. Currently 65 persons from Plaquemines Parish are on the CB&I payroll and CB&I has spent \$3.7 million in Plaquemines Parish. CB&I's values are safety, ethics, innovation and team work (including the community). CB&I will employ qualified people in the community and is looking for skilled construction crafts at all skills levels, as follows:

1. Laborers. Unskilled workers.
2. Helpers. Some experience, technical school, or short-term training.
3. Skilled. Welders, pipefitters, form fitters, carpenters, ironworkers.

During the construction phase, CB&I will hire locals when possible for electrical, mechanical, and instrumentation work. A local office will be open when the construction begins. Testing and outreach will be done from that location. CB&I is working with the parish for outreach and with area colleges for recruiting. There will be 3-4 types of jobs during the construction phase, including big equipment operators (highly specialized), and materials and goods suppliers -- tools, safety supplies, office supplies, electrical and concrete work, janitorial services, health services, waste control services, and environmental services. Specialized contracts will be required for civil work, fireproofing, insulation, and refractory work. The community will be indirectly affected and economically benefitted. CB&I will provide welcome guides about restaurants, pubs, etc. to the workers.

Specialized contractors will require strong safety and environmental records, bonding, and insurance and must meet CB&I's requirements. Interested parties must register on the CB&I website and answer 120 health, safety, and environment questions. Once completed, scored, and found to be in compliance, the information is verified and the contractor must go through the bid process. Vendors interested in other services must also register on the CB&I website and answer 20 questions about experience, offerings, and availability for other CB&I projects in the area. This process will begin at the end of the year.

CB&I is working on a webpage with a bulletin board for updates and opportunities.

Answers to questions included the following:

1. The amount of manpower required for the construction process will be available in the next 4-5 months. The peak amount of workers should be between 1300-1500 and the 32-34 month project should begin in the Third Quarter, 2018. There will be at least one vendor fair for IGP and the major contractors to allow local services an opportunity to attend. Information will be made available at future CAP meetings.
2. Preference will be given to locals, minorities, small business owners, and veterans.
3. CB&I is always looking for crafts personnel.

4. It is a good idea to set up a profile on the CB&I website: www.cbi.com.careers.
5. Some laborers and helpers are found through the community college programs.

Next Meeting

The next Gulf Coast Methanol CAP meeting is scheduled for Wednesday, March 28, 2018 at Fill-A-Sac in Belle Chasse.