

AGENDA
MARCH 15, 2000

- I. Call to Order
- II. Roll Call
- III. Pledge of Allegiance
- IV. Approval of minutes of February 9, 2000
- V. Executive Director's Report
 - A. E-Slip Expansion Updates
 - 1. 2nd Leg
 - 2. 3rd Leg
 - B. Northern Expansion Update
 - C. FEMA Damage Repairs
 - 1. Offshore Breakwaters
 - 2. Belle Pass Dredging
 - D. Highway Improvements
 - E. Golden Meadow Seawall
- VI. Committee Reports:
 - A. Executive:
 - 1. Award bid for river sand and mansize rip rap
 - 2. Authorize President Bernard to execute lease agreement with John W. Stone Oil Dist., L.L.C.
 - 3. Accept Substantial Completion on FEMA Project No.'s 589090 & 589049 Breakwater & Jetty Repairs
 - 4. Change Order No. 2 for Breakwater & Jetty Repair Project
 - 5. Authorize Executive Director to advertise for bid of surplus equipment
 - 6. Brandt Energy notice of default
 - 7. Insurance renewals
 - 8. Caillouet Land Corporation Agreement
 - B. Legal, Permits, & Waterways:
 - 1. Letter of No Objection
 - a. Lee Orgeron
 - b. C-Port 2, L.L.C.
 - c. Chevron USA, Inc.
 - d. Chevron USA, Inc.
 - 2. Tennessee Gas Pipeline - Pipeline Adjustment Agreement
 - C. Construction & Development:
 - 1. Global Industries, Inc. request to cancel lease
 - 2. Martin Terminal, Inc. request to lease Global Industries, Inc. site. Authorize President to execute lease agreement with Martin Terminal, Inc.
 - 3. Authorize President Bernard to execute Amendment of lease with Newpark Environmental Management Co.
 - 4. Authorize Executive Director to negotiate and execute a deal with Parish Council for hardsurfacing beach road
 - 5. Request by Port Fourchon Marina- lease improvements
 - D. Finance:
 - 1. Approval of Invoices and recognize following expenditures of over \$10,000:

1. Huey Stockstill, Inc.	\$ 467,485.15
2. Picciola & Associates, Inc.	\$ 58,261.60
3. Low Land Construction Co., Inc.	\$1,003,019.06
4. Bill Hood Automotive	\$ 20,659.00
5. Mike Hooks, Inc.	\$ 549,417.30
6. Mike Hooks, Inc.	\$ 12,380.97
7. Johnny F. Smith Trucking	\$ 28,500.00
 - 2. Financial Report for January, 2000
 - 3. Financial Report for February, 2000
 - E. Personnel:

VII. Any other business

VIII. Adjournment

OFFICIAL PROCEEDINGS OF THE GREATER LAFOURCHE PORT COMMISSION
MARCH 15, 2000

The Board of Commissioners of the Greater Lafourche Port Commission met in regular session in the Conference Room of the Commission Administration Building in Galliano, Louisiana on Wednesday, March 15, 2000 at 10:30 AM pursuant to the provision of due notice in writing to each and every member thereof and duly posted in the manner prescribed by law.

President Bernard called the meeting to order and requested that Board Member Rodney Terrebonne call the roll.

PRESENT: Rodney Terrebonne, Johnny Melancon, Ervin Bruce, Chester Cheramie, Dudley Bernard, Wilbert Collins, Sr. and Larry Griffin

ABSENT: Harrison Cheramie, Jr., and Donald Vizier

Also present were Ted M. Falgout, Executive Director; Davie J. Breaux, Assistant Director; Joe Picciola and Larry Picciola, Port Engineers; Loulan Pitre, Port Attorney; Gerald Guidry, Harbor Police Chief; and Cindy F. Dufrene, Port Secretary.

President Bernard led in the recitation of the Pledge of Allegiance.

Upon motion by Chester Cheramie, seconded by Wilbert Collins, Sr. and unanimously passed, the minutes of the February 9, 2000 Board Meeting was approved.

President Bernard then called upon Executive Director Ted Falgout for his report.

EXECUTIVE DIRECTOR'S REPORT:

In reference to the E-Slip Bulkhead Extension 2nd Leg, Bulkhead Repair, Director Falgout called upon project engineer Larry Picciola for his report. Mr. Picciola reported that bids were received on March 3rd and the low bidder was LL & G in the amount of \$339,000. LL & G pulled their bid, due to an error, within 48 hours of bidding. The second lowest bid was from Plaisance Dragline & Dredging Co., Inc. in the amount of \$453,812.00. Their bid qualified but they did not provide the required certificate of insurance. Several of the remaining bidders did not provide certificates of insurance or the proper limits on their certificates. These bids cannot be considered and the project will have to be rebid or negotiated with the insurance company covering the claim. Director Falgout suggested a motion by the board authorizing the project engineer and the Port Attorney to negotiate with the insurance company and, if an agreement is not reached, rebid the project. Upon motion by Johnny Melancon, seconded by Larry Griffin and unanimously passed, the Board of Commissioners does hereby authorize project engineer, Larry Picciola and Port Attorney Loulan Pitre to negotiate with the insurance company on Repairs to Bulkhead Project and, if an agreement is not reached, authorize project engineer to rebid the project.

In reference to the Leg III E-Slip Expansion, Director Falgout called upon project engineer Joe Picciola for his report. On Phase II - Bulkheading, Mr. Picciola reported that the contractor has completed 51% of the work with 45% of the time elapsed. They have completed driving all the timber piles and all concrete deadman on both sides of the project site, completed driving the steel sheet pile on the Newpark side, and are currently welding on the whaler and the pipe bumper. They are also driving steel sheet piles on the C-Port side.

In reference to the Leg III E-Slip Expansion, Phase III - Dredging, Mr. Picciola reported that the contractor completed the E-Slip dredging and is working in the Flotation Canal. The mitigation area is just about filled and he has a meeting scheduled Friday with the Corps of Engineers and the National Marine Fisheries to look over this area to make sure the permit requirements have been met. The contractor is doing a good job and is ahead of schedule. He has approximately 6 weeks of dredging left. Discussion followed.

In reference to the Northern Expansion, Director Falgout reported the mitigation is moving along well and the Commission may end up with more material on the south end. Asst. Director Breaux is investigating the potential of mining sand to the proposed bulkhead areas to provide a firm embankment to work off of when the Commission does expand.

In reference to FEMA Damage Repairs, Breakwater Project, Director Falgout called upon project engineer Joe Picciola for his report. Mr. Picciola reported he did the final inspection and presented, for approval by the Commission, a certificate of Substantial Completion and a final Change Order. Director Falgout stated both items will be covered under the Executive Committee.

In reference to FEMA Project, Belle Pass Dredging, Director Falgout called upon Asst. Director Breaux for an update. The Weeks Marine dredge arrived at the Port last Wednesday and began dredging Thursday in Belle Pass. At this time, they have pumped approximately 180,000 yards of sand. They started in the jetty system and are looking toward dredging in the Gulf by the end of the week, weather permitting. Estimating three weeks to complete the project. The contractor will be able to dredge the full depth at the area of Chevron's pipeline because the Chevron 6" - CO2 pipeline has been removed and the 10" pipeline has been lowered. Discussion followed.

In reference to Highway improvements, Director Falgout called upon Roy Francis, LA 1 Coalition Executive Director, for an update. Mr. Francis reported the EIS from Golden Meadow - Port Fourchon is underway and presented to the Board a flowchart of the process. He met with the project manager at DOTD in reference to the Feasibility Study on the northern section. There will be a meeting scheduled two or three weeks from now on the preliminary findings of this study and he wants to meet with the team who has been working on it. The OCS Bill has around 350 out of 435 co-signers on the House side and hopes to bring the bill to the floor before the Easter recess. Port Attorney Loulan Pitre reported the Executive Order has been issued extending the life of the Louisiana Highway 1 Task Force and as State Representative, he has been appointed Chairman of the Task Force. The Task Force will continue to meet 2 to 6 times per year to continue to pursue the project. Mr. Francis also added there was an article in the paper about a hearing held last week that stated the Leeville Bridge has been accepted as a priority by DOTD. Discussion followed.

In reference to the Golden Meadow seawall, Director Falgout called upon Asst. Director Breaux for his report. Asst. Director Breaux reported that the project is on hold awaiting repairs on the Town truck. They will resume on Monday. All the material should be in place within the next two weeks. Board Member Melancon asked if its the Commission or the Town's responsibility to flag items which need to be removed from the bayou in Golden Meadow. Director Breaux stated the Commission is responsible and stated Officer Jimmy Guidry has marked and logged some items in this area. Director Falgout stated our target is to receive bids by June on the Bayou Clean Up Project.

Port Attorney Pitre introduced Katina Gaudet, with the Daily Comet, to the Commission. She will be covering the board proceedings while Todd Seigrest is out ill. He states she has been covering local governmental politics in this area for quite sometime and feels she will do a good job covering the board proceedings.

EXECUTIVE COMMITTEE:

Dudley Bernard, Chairman
Johnny Melancon, Member
Harrison Cheramie, Jr., Member
Donald Vizier, Member

President Bernard presented award of bid for river sand and mansize rip rap. Director Falgout stated the Commission awarded this contract at the last meeting and Civil Construction's low bid for river sand and mansize rip rap reflected delivery by eighteen wheeler (26 yard container) only. They do not have 14 yard trucks. This left the Commission without delivery of river sand and mansize rip rap by 14 yard increments. He suggests the Commission award bid to Cajun Trucking, Inc. for 14 yard delivery of river sand and mansize rip rap. Upon motion by Johnny Melancon, seconded by Ervin Bruce and unanimously passed, the Board of Commissioners does hereby award bid to Cajun Trucking, Inc. for river sand and mansize rip rap for 14 yard delivery as follows:

River Sand (Per Cubic Yard)	\$9.74
Mansize Rip Rap (Per Ton)	\$27.00

President Bernard presented for authorization a lease agreement for execution with John W. Stone Oil Dist., L.L.C. Director Falgout stated this lease agreement is for Lot 9, the property Martin Terminal, Inc. recently released. Upon motion by Wilbert Collins, Sr., seconded by Larry Griffin and unanimously passed, the Board of Commissioners does hereby authorize President Bernard to execute a lease agreement with John W. Stone Oil Distributor, L.L.C. for Lot 9.

President Bernard presented for acceptance a Certificate of Substantial Completion for the Breakwater & Jetty Repairs project, FEMA DSR #'s 589090 & 589049. Upon motion by Johnny Melancon, seconded by Chester Cheramie and unanimously passed, the Board of Commissioners does hereby accept the Certificate of Substantial Completion for the Breakwater & Jetty Repairs Project, FEMA DSR#'s 589090 & 589049.

President Bernard presented Change Order No. 2 for Breakwater & Jetty Repairs Project, FEMA DSR#589090 & 589049 for approval. Director Falgout called upon Project Engineer Joe Picciola for an explanation of the Change Order. Mr. Picciola stated the contractor had an increase in the rock that was used for the bedding underneath the A-Jacks because of some additional scouring underneath the barges and from the weather knocking rocks into the barges. The total of the cost overrun is \$65,000. Director Falgout stated he will seek reimbursement from FEMA for the cost overrun. Upon motion by Rodney Terrebonne, seconded by Ervin Bruce and unanimously passed, the Board of Commissioners does hereby accept Change Order No. 2 for the Breakwater & Jetty Repairs Project, FEMA DSR #'s 589090 & 589049 for cost overrun in the amount of \$65,000.

President Bernard requested authorization for Director Falgout to advertise for bid of surplus equipment. Upon motion by Larry Griffin, seconded by Johnny Melancon and unanimously passed, the Board of Commissioners does hereby authorize Director Falgout to advertise for bid of surplus equipment.

President Bernard presented a notice of default for delinquent rental to Brandt Energy Environmental, LP. Director Falgout stated the Executive Committee reviewed the delinquency of rentals and the notice of default to Brandt Energy. They are in arrears of \$66,047.20. Brandt had requested the Commission give them a two week extension to pay the arrears with no other qualifying statements. The Committee was not inclined to do this and decided to place them in default and recommend a motion be made to terminate their lease agreement at the Board Meeting. He called Brandt to tell them the news and they said they needed the extension to allow them more time, due to a client who is seeking an assignment of lease from Brandt. Mr. Falgout requested they send someone to the meeting with payment if they wish the Board to grant the extension. He introduced Mr. David Polston with Cross Energy who is the client seeking an assignment of lease from Brandt. Mr. Polston gave a brief explanation of his business and why he is seeking the assignment. He asked the Board to grant the extension and assured them he will present them with a check for the arrears in two weeks. If he is unable to pay the arrears within two weeks, then he will accept the decision of the Board to terminate the lease agreement. Upon motion by Johnny Melancon, seconded by Larry Griffin and unanimously passed, the Board of Commissioners does hereby grant a verbal agreement with Mr. David Polston, of Cross Energy, for a two week extension to pay the arrears of this lease.

President Bernard presented insurance renewal quotes. Director Falgout stated quotes were received from two local firms, Theriot, Duet & Theriot, and Leonard Miller Insurance for all insurance coverages purchased by the Commission. The quotes reflect the total of all coverages submitted. They are as follows:

Theriot, Duet & Theriot	\$169,671.00
Leonard Miller Insurance	\$125,505.00

The only differences was the deductible amount of the General Liability Insurance. Leonard Miller Insurance quoted on a \$25,000 deductible and Theriot, Duet & Theriot quoted on a \$10,000 deductible. When Leonard Miller Insurance adjusted his quote to reflect the \$10,000 deductible, it increased his quote by an additional \$10,000. This addition cost still reflects a low quote given by Leonard Miller Insurance. Upon motion by Johnny Melancon, seconded by Larry Griffin and

unanimously passed, the Board of Commissioners does hereby approve of having all the Commission's insurance policies with Leonard Miller Insurance.

President Bernard presented an Agreement of Compromise with Caillouet Land Corporation for approval. Executive Director Falgout called upon Port Attorney Pitre for an update. Attorney Pitre reported that Caillouet Land is one of the very few major private land owners at the Port. There's a long history and a number of different agreements and relationships between the Port and Caillouet Land for development of various property. There have been some issues or disagreements that arose, about the rights under those agreements. Months of negotiations has resulted in an agreement that will actually be more beneficial to both parties. He understands the Caillouet Land Board, at their meeting, adopted a resolution approving the Agreement of Compromise and authorized its President to sign the agreement. This agreement has four major components. The first major component is regarding a lease of approximately 2 ½ acres of triangular land within the Baroid site, a dispute regarding the renewal of that lease, an agreement to renew the lease, and an agreement regarding the mechanisms to determine the rental for that lease. The second major component regards dredging of the entrance servitude through Caillouet property and mitigation for the benefit of the Caillouet's to facilitate the development of the Caillouet property north of C-Port. The third major component states that the spoil servitude granted by Caillouet in the Consent Judgment of 1997 would be released in one area and granted to another area north of C-Port for a period of five years. The final component regards dredging an area of Pass Fourchon to a 200 ft. width instead of a 300 ft. width that was previously agreed to in the Consent Judgment of 1997. Upon motion by Johnny Melancon, seconded by Rodney Terrebonne and unanimously passed the Board of Commissioners does hereby authorize President Bernard to execute an Agreement of Compromise with Caillouet Land Corporation.

LEGAL PERMITS & WATERWAYS:

Larry Griffin, Chairman
Wilbert Collins, Sr., Member
Ervin Bruce, Member

Chairman Griffin presented the following letters of no objections:

Lee Orgeron
C-Port 2, LLC
Chevron USA, Inc.
Chevron USA, Inc.

Upon motion by Larry Griffin, seconded by Ervin Bruce and unanimously passed, the Board of Commissioners does hereby accept the above letters of no objection.

Chairman Griffin presented a Pipeline Adjustment Agreement with Tennessee Gas Pipeline. Director Falgout stated this issue has been resolved and Attorney Pitre received the agreement for his review. Attorney Pitre stated he had a couple of technical and minor comments to the draft prepared by

Tennessee Gas. They have agreed to make the changes and should receive the revised documents soon. Director Falgout requested a resolution accepting this agreement pending their approval of changes requested by Attorney Pitre. Upon motion by Johnny Melancon, seconded by Chester Cheramie and unanimously passed, the Board of Commissioners does hereby accept Tennessee Gas Pipeline Agreement pending their approval of changes requested by Attorney Pitre and hereby authorizes Dudley Bernard to execute said agreement.

CONSTRUCTION & DEVELOPMENT:

Rodney Terrebonne, Chairman
Larry Griffin, Member
Chester Cheramie, Member

Chairman Terrebonne presented a request from Global Industries, Inc. to cancel their lease agreement. Director Falgout stated this was part of an agreement discussed at a previous committee meeting to allow Global to cancel their lease and execute a lease with Martin Terminal, Inc. for this site, less 11 feet of encroachment by Newpark. Newpark will pick up the cost of the encroachment through an Amendment to their surface lease, which is the next item on the agenda. Upon motion by Rodney Terrebonne, seconded by Wilbert Collins, Sr. and unanimously passed the Board of Commissioners does hereby authorize request to cancel lease agreement with Global Industries, Inc., accepts Martin Terminal, Inc. request to lease the Global Industries, Inc. site and does hereby authorizes President Bernard to execute a surface lease with Martin Terminal, Inc.

Chairman Terrebonne presented an Amendment of surface lease with Newpark Environmental Management Co. for execution by President Bernard. Upon motion by Rodney Terrebonne, seconded by Larry Griffin and unanimously passed, the Board of Commissioners does hereby authorize President Bernard to execute an Amendment to surface lease with Newpark Environmental Management Co.

Chairman Terrebonne presented a request to authorize Director Falgout to negotiate and execute an agreement with the Parish Council for hardsurfacing the beach road. Director Falgout stated the Port has acquired \$20,000 of state funding to assist in hardsurfacing the only parish road in the Port from the Port Fourchon Bridge down to the Chevron Road. This funding needs to be utilized by June, 2000. The estimated cost of hardsurfacing this road is \$80,000. The Parish Council has been asked to take this project on and are unable to hardsurface the road before June. Joe Picciola, Port Engineer, spoke to the Parish President and recommended he present a resolution to the Council stating the Parish would fund the cost over the \$20,000 state funding and reimburse the Commission within their Phase III Road Surfacing Program. A resolution was passed at the last Parish Council committee meeting stating the Commission would be reimbursed in Phase III or IV of the Program. Director Falgout stated he spoke to the Parish President and he has agreed to recommend to the Council that the Port Commission be reimbursed in the Phase III Construction schedule, if we get the project going and built immediately. Board Member Melancon asked if the Parish President is allowed to negotiate agreements without Council approval. Director Falgout stated he can negotiate but cannot sign the agreement without the Parish Council's authorization and that this agreement will not be presented until their next monthly meeting. The Commission can't wait till the Parish's next

meeting for approval to begin the engineering and bidding process. This process must begin now to put ourselves in a position to accept bids prior to June, if in fact an agreement is reached and the Parish Council gives the Parish President authority to sign the agreement. If they deny the request, then the Commission will stop the bidding process. Upon motion by Rodney Terrebonne, seconded by Wilbert Collins, Sr. and passed by a majority vote, the Board of Commissioners does hereby authorize Director Falgout to negotiate and execute an agreement with the Parish Council for hardsurfacing the beach road. Board Member Melancon voted nay.

Chairman Terrebonne presented a request by Port Fourchon Marina in reference to lease improvements. Director Falgout stated Harris Cheramie of Port Fourchon Marina is asking assistance from the Commission on a number of items such as modifications to his lease, assistance on repairs to wharves and assistance of repairs to his bulkhead. The Commission will look at the cost of each one of these request and should have quotes by the next committee meeting.

FINANCE COMMITTEE:

Donald Vizier, Chairman
Harrison Cheramie, Jr., Member
Johnny Melancon, Member

Chairman Vizier presented the invoices for February, 2000 and the expenditures over \$10,000 for approval. Upon motion by Larry Griffin, seconded by Chester Cheramie., and unanimously passed, the Board of Commissioners does hereby approve the invoices for February, 2000 and recognizes the following expenditures over \$10,000:

1.	Huey Stockstill, Inc.	\$ 467,485.15
2.	Picciola & Associates, Inc.	\$ 58,261.60
3.	Low Land Construction Co., Inc.	\$1,003,019.06
4.	Bill Hood Automotive	\$ 20,659.00
5.	Mike Hooks, Inc.	\$ 549,417.30
6.	Mike Hooks, Inc.	\$ 12,380.97
7.	Johnny F. Smith Trucking	\$ 28,500.00

Upon motion by Larry Griffin, seconded by Johnny Melancon and unanimously passed, the Board of Commissioners does hereby approve the Financial Report for January, 2000 and February, 2000.

PERSONNEL COMMITTEE:

Johnny Melancon, Chairman
Rodney Terrebonne, Member
Ervin Bruce, Member

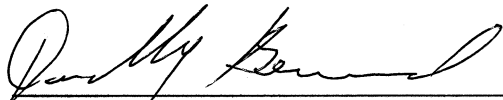
Chairman Melancon stated that one of our Harbor Police Corporal's, Clark Cheramie, has resigned to take a position with the United Nations in Bosnia. Another Harbor Police Officer, James Wright, Jr. was involved in an accident and is recovering well. His rehabilitation will take some time. Also,

our Maintenance Foreman Wilson Picou is still out of work recovering from several procedures and set backs relating to heart problems.

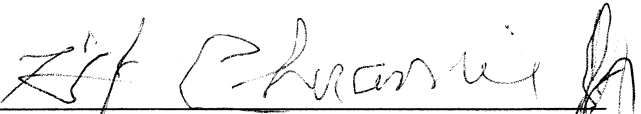
ANY OTHER BUSINESS

Upon motion by Larry Griffin, seconded by Rodney Terrebonne and unanimously passed, the Board Meeting was adjourned.

ATTEST:



Dudley Bernard, President



Harrison Cheramie, Jr., Secretary