

AGENDA
FEBRUARY 20, 2002

- I. Call to Order
- II. Pledge of Allegiance
- III. Roll Call
- IV. Consider January 9, 2002 Regular Meeting Minutes for approval
Consider January 23, 2002 Special Meeting Minutes for approval
- V. Executive Director's Report
 - A. Northern Expansion Update
 - a. Construction status:
 - i. West Bulkhead – John Plaisance
 - ii. East Bulkhead – John Plaisance
 - iii. Hydraulic Dredging – John Plaisance
 - iv. Bucket Dredging – Larry Picciola
 - B. Highway Improvements
 - C. Millennium Port Update
 - D. Airport Update
- VI. Committee Reports
 - A. Executive Committee
 - a. Consider request of Total Waste Management Alliance, Inc.
 - b. Lease with Mrs. Soudelier
 - B. Permits & Waterways Committee
 - a. Letters of No Objection
 - i. Chevron USA, Inc.
 - ii. Chevron USA, Inc.
 - iii. Al Bankston
 - iv. Lafourche Parish School Board
 - v. Chevron USA, Inc.
 - vi. Carrizo Oil & Gas, Inc.
 - b. Ordinance No. 67
 - c. Locks Project – Windell Curole, South Lafourche Levee District
 - C. Construction and Development Committee
 - a. Approve low bidder and award contract for Dredging of Slip A, SPN 578-29-0014(322)
 - b. Resolution certifying compliance with public bid laws for SPN 578-29-0014(322)
 - c. Consider approving Amendment #3 of sublease between Martin Terminal and Baker Hughes
 - d. Consider approving Newpark Drilling's request for sublease to Offshore Rental
 - e. Consider renewing Coast Guard's lease
 - f. Approve low bid for supplying construction materials
 - g. Approve low bid for supplying fuel
 - D. Finance Committee
 - a. Consider payment of invoices and recognize Expenditures over \$10,000
 - b. Consider January 2002 Financial Statement for approval
- VII. Public Comment
- VIII. Any other business
- IX. Adjournment

OFFICIAL PROCEEDINGS OF THE GREATER LAFOURCHE PORT COMMISSION
February 20, 2002

The Board of Commissioners of the Greater Lafourche Port Commission met in regular session on Wednesday, February 20, 2002 at 10:30 AM.

President Melancon called the meeting to order, and Secretary Collins called the roll.

PRESENT: Johnny Melancon, Donald Vizier, Wilbert Collins, Larry Griffin, Ervin Bruce, Harry Cheramie, Chuckie Cheramie, Beau Martin, and Jimmy Lafont

ABSENT: None

Upon motion by Larry Griffin and second by Wilbert Collins, the minutes of the January 9, 2002, regular meeting were unanimously approved.

Upon motion by Ervin Bruce and second by Donald Vizier, the minutes of the January 23, 2002, special meeting were unanimously approved.

President Melancon veered from the Agenda and recognized the members of AmeriCorps present at the meeting. He said that we are glad to have them in our community as part of a notable AmeriCorps program.

Executive Director's Report

Northern Expansion – Project Engineer John Plaisance reported that the bulkhead has been completed, but the contractor still needs to finish the concrete revetment mats, which may take several weeks. He reported that the East Bulkhead project has been awarded to LowLand Construction. Contracts have been sent to LowLand for execution, and they have already mobilized and are doing earthwork in anticipation of this project. He reported that Mike Hooks was low bidder for the Hydraulic Dredging Project of Slip A and that the contract should be awarded to them for the bid price of \$3,518,750. Neil Angelette, representing Larry Picciola Engineers, reported that a preconstruction meeting is scheduled for February 27th, and the contractor should begin construction sometime in April. The contractor has a major breakdown on equipment, which should take 2-3 weeks to repair and then has two weeks on a previous job to complete prior to beginning the Bucket Dredging of Slip B

Highway Improvements – Director Falgout reported that in Mid-March, he will be in Washington to attend the AAPA Spring Conference, and he and Roy Francis will try to meet with MMS' new Director as well as federal lobbyists for oil and gas interests. He also reported that the highway embankment work is moving well. The Contractor is now between the Cote Blanche Bridge and the Le Pont D'Or Bridge. Director Falgout reported that we have submitted an application for the Gulf Guardian Award for the recognition of our efforts in the Bayou Cleanup and Beautification project that has been ongoing for about twenty years.

Millennium Port – Director Falgout reported that the Corps is actively conducting the Feasibility Study for a 50-ft. channel at Port Fourchon and the results could be forthcoming in approximately four months.

Airport – Director Falgout reported that we had our first DOTD Annual Inspection on February 19th. We should receive a written report within a few weeks. The

Inspector was impressed with the improvements that the Commission has made thus far to the Airport property, including improving and upgrading the Heliport lighting system and keeping the runway lights in operation. Director Falgout reported that in the next 30-60 days, we should begin to repaint and restripe the runway. He also reported that proposals for usage of the East Golden Meadow Farm Tracts will be accepted on March 1st at 10:00AM. The Commission will be receiving proposals for the Airport Master Plan on February 28th at 1:00PM. He also reported that Eroy Duet, who has been employed as a pumper for the Farm, has been kept on for \$500 per month to maintain the pumps and cut grass and perform other maintenance activities.

Director Falgout reported that there will be a Public Hearing on Monday, March 4th at 6:30PM, for the purpose of receiving input from the general public, fishermen, port users, and other interested parties regarding matters that relate to the port, airport, navigation, and the Greater Lafourche Port Commission in general.

President Melancon questioned whether the equipment that was purchased with the Farm has been inventoried. Director Falgout reported that it in fact had been inventoried, and after the proposals for usage have been received, we will hold a sale for the equipment that we no longer use.

Commissioner Collins questioned whether any helicopter companies had indicated a desire to locate at the airport. Director Falgout reported that we have had several inquiries, the most recent being Evergreen Helicopters. Assistant Director Davie Breau reported that he received a phone call from the new owner of PHI, who was interested in discussing options that may exist at the airport.

Commissioner Collins questioned the status of the paving of the Airport Access Road. Director Falgout asked Parish Engineer Joe Picciola to update the Commission on this project. Mr. Picciola reported that the Proposed Ordinance allowing for the extension of the current project was adopted at the last Council meeting and that the Ordinance should be ratified at the next Council meeting; then the project will be able to proceed.

Director Falgout reported that engineering currently is ongoing with Picciola & Associates for the Clovelly Road upgrade.

COMMITTEE REPORTS

Executive – Chairman Johnny Melancon reported that the committee met on January 23, 2002, at the Operations Center in Fourchon. Present at this meeting was Johnny Melancon, Donald Vizier, Larry Griffin, and Wilbert Collins, and no member was absent. The Commission also met on February 19, 2002, at the administration building in Galliano. Present at this meeting was Donald Vizier, Larry Griffin, and Wilbert Collins, and Johnny Melancon was absent. The Commission then discussed items that were discussed at the Committee meetings.

President Melancon presented for the board's consideration a request from Total Waste Management Alliance, Inc. for a letter from the Port Commission stating that the Commission is interested in accepting the "inert dirt" produced from the unique handling process the company proposes to establish in Fourchon. Director Falgout explained that Total Waste Management Alliance is a company that has established a unique process to treat nonhazardous oilfield waste. The process originated in Scotland and has been established in three facilities overseas. The company is currently applying for all necessary permits in Louisiana and is requesting that the Port Commission submit a letter declaring its desire to obtain and use this inert dirt as fill material, should it be found to comply with the stipulations set forth by the Commission. Attorney Pitre elaborated upon the requirements he would suggest the Commission include in its letter outlining the

terms under which the material will be accepted. He believes that the Port should obtain an independent, scientific verification of the safety of the product and its compliance with all applicable laws and regulations. He also thinks that the Port should request full indemnity from any and all liability that may arise from the use of this product and should be comfortable with the financial condition of the company. He recommended that the Port be named as an additional insured on the company's insurance coverage with waiver of subrogation in favor of the Commission. The Port would have to verify that the company providing the insurance is acceptable and that the coverage amounts and limits are sufficient. Attorney Pitre recommends that these stipulations be outlined in an agreement prior to accepting any of the material. Director Falgout clarified that this letter they are requesting does not bind us to accept this material; it merely aids the company's endeavors to obtain all necessary permits. Upon motion by Harry Cheramie and second by Larry Griffin, the board unanimously agreed to submit a letter to Total Waste Management Alliance which states that the Commission is interested in exploring the feasibility of the material generated from this unique treatment process.

President Melancon presented for the board's discussion the possibility of executing a lease with Mrs. Soudelier for the home she currently occupies on property owned by the Commission near the Airport. Director Falgout reported that Mrs. Soudelier has resided at her current residence for the last 40 years and that she has lived there under lease agreement with Burlington Resources, wherein she was bound to pay \$200.00 per month as rental for the facility. Director Falgout reported that the Committee had recommended that a lease be executed with Mrs. Soudelier for an additional 6 months at the existing rate and that he and President Melancon meet with Mrs. Soudelier and her family to discuss options that might exist. President Melancon said that he believes \$200.00 per month is a burden to her and that he believes that the rent should be reduced to \$100.00 per month. Commissioner Lafont made a motion, which was seconded by Ervin Bruce, that a 6-month lease be signed with Mrs. Soudelier for \$100.00 per month. Commissioner Donald Vizier stated that this issue had been discussed in length at the Committee meeting the previous night, and he believed the board should act on the recommendation of the Port Attorney and keep the rent at \$200.00. President Melancon called for a vote on the original motion, and it carried with a vote of 7 yeas and 2 nays.

Permits & Waterways – Chairman Jimmy Lafont reported that the committee met on January 23, 2002, at the Operations Center in Fourchon and on February 19, 2002, at the administration building in Galliano. Present at these meetings were Jimmy Lafont, Beau Martin, and Wilbert Collins, and no member was absent. The Commission then discussed items that were discussed at the Committee meetings.

Chairman Lafont presented for the board's consideration three requests for a letter of no objection from Chevron USA, Inc., and one each from Al Bankston, Lafourche Parish School Board, and Carrizo Oil & Gas, Inc. Upon motion by Jimmy Lafont and second by Chuckie Cheramie, the board approved issuing a letter of no objection to those who had requested one, with one nay vote.

Chairman Lafont presented for the board's discussion and consideration Ordinance No. 67. It reads: AN ORDINANCE REQUIRING THE OWNER/OPERATOR OF ANY AND ALL TYPES OF FISHING VESSELS THAT ARE MOORED OR DOCKED IN NERBY COLLINS MARINA AND ARE LEFT UNATTENDED TO CONTACT THE HARBOR POLICE AND LEAVE ON FILE THE OWNER'S/OPERATOR'S NAME AND PHONE NUMBER AND TO DESIGNATE A RESPONDING PARTY WHO CAN

RESPOND TO CALLS REGARDING THE VESSEL WITHIN ONE HOUR AND LEAVE ON FILE THAT PARTY'S NAME AND PHONE NUMBER, AND TO PROVIDE PENALTIES FOR THE VIOLATION THEREOF.

BE IT ORDAINED, by the Board of Commissioners of the Greater Lafourche Port Commission:

Section 1. That it shall be unlawful for an owner/operator to leave a vessel unattended in Nerby Collins Marina without notifying the Harbor Police via telephone or VHF of the owner's/operator's name and telephone number at which the owner/operator may be contacted 24 hours a day, 7 days a week.

Section 2. That it shall be unlawful for an owner/operator who leaves a vessel unattended in Nerby Collins Marina and who cannot physically respond within one hour to any calls regarding the vessel to not appoint a responding party and file that person's name and phone number with the Harbor Police prior to leaving the vessel unattended.

Section 3. Any person violating any of the provisions of Section 1 or 2 of this ordinance shall on first conviction be fined not more than \$500.00 or imprisoned for not more than six months in parish prison, or both.

Section 4. This ordinance shall take effect and be enforceable on or after the 20th day of February, 2002.

Section 5. That if any clause, sentence, paragraph or portion of this ordinance shall, for any reason be declared illegal or unconstitutional, such declaration shall not affect the validity of any other section, paragraph, or portion of this ordinance, which shall remain in full force and effect.

This ordinance, having been submitted in writing, having been read and adopted by sections at a public meeting of said Commission, was then submitted to an official vote as a whole; the vote thereon being as follows: YEAS: 9 NAYS: 0 ABSENT: 0. And the ordinance was declared adopted on this 20th day of February, 2002.

Chairman Lafont reported that he had spoken to Chief Ryan of the US Coast Guard this week about the buoys in Belle Pass. He said that USCG will replace the southside buoy and place two lighted buoys a mile outside; these will be Buoys 1 & 2. They will place two lighted buoys at the end of each jetty, Buoys 4 & 5, and two inside, Buoys 6 & 7. He also reported that he received word from USCG that the Caminada Bay buoys are now permanent and will not be removed.

Mr. Windel Curole with the South Lafourche Levee District addressed the board regarding the proposed locks to be constructed at the Leon Theriot Flood Gates. He showed a drawing of the proposed lock system and updated the Commission on the time frame for commencement and completion of the lock construction. He also informed the Commission of the estimated cost and the methods to be used for construction so as to inhibit the least amount of vessel traffic as possible. The engineering agreements will be signed soon, and then a Public Hearing will be held to receive input regarding the lock. Mr. Curole reported that there currently is \$400,000 in the budget to cover engineering, and \$1.2 million has been obtained from Coastal Impact Assistance Funds, but \$4 million is needed from the state to complete this project. Representative Pitre reported that this project is in the capital outlay bill and is making its way through the process to be funded.

Construction & Development - Chairman Ervin Bruce reported that the committee met on January 23, 2002, at the Operations Center in Fourchon and on February 19, 2002, at the administration building in Galliano. Present at these meetings were Ervin

Bruce, Donald Vizier, and Chuckie Cheramie, and no member was absent. The Commission then discussed items that were discussed at the Committee meetings.

Chairman Bruce presented for the board's consideration the bids for SPN 578-29-0014(322). Director Falgout reported that the apparent low bidder for this Hydraulic Dredging Project of Slip A was Mike Hooks, Inc., with a bid of \$3,518,750 including the Additive Alternate, which is to construct the Maritime Forest Ridge. Upon motion by Ervin Bruce and second by Chuckie Cheramie, the board unanimously approved the low bid of Mike Hooks and authorized Director Falgout to execute any and all necessary contracts and documents to complete this project.

Chairman Bruce presented for the board's consideration a resolution certifying compliance with public bid laws for SPN 578-29-0014(322). Director Falgout explained that this was a standard resolution required by DOTD for Port Priority Funded Projects. Upon motion by Ervin Bruce and second by Jimmy Lafont, the board unanimously adopted a resolution certifying compliance with public bid laws.

Chairman Bruce presented for the board's consideration Amendment #3 of a sublease between Martin Terminal and Baker Hughes. Director Falgout explained that this sublease was executed in January of 2000 and that the banks are now requiring the Commission's signature. The Committee has reviewed the Amendment and has no problems or concerns with it. Upon motion by Ervin Bruce and second by Harry Cheramie, the board unanimously approved this amendment to sublease and authorized President Melancon to execute the document.

Chairman Bruce presented for the board's consideration a request for sublease from Newpark to Offshore Rental. Director Falgout reported that this request is to sublease Site 317 to Offshore Rental, which is in the tank business. The proposed sublease is for one year, and the rental is for exactly the amount currently paid to the Commission for the site. The committee reviewed the sublease recommends allowing it. Upon motion by Ervin Bruce and second by Donald Vizier, the board unanimously approved the sublease of Site 317 by Newpark Drilling to Offshore Rental and authorized President Melancon to execute the document.

Chairman Bruce presented for the board's consideration a request for sublease with USCG for Office Space in the Galliano administration building. Director Falgout reported that the Coast Guard had a 5-year lease with the Port Commission, which recently expired. They are now requesting another 5-year lease and offering no compensation for the office space. After some discussion, the board indicated a desire to inquire as to whether rental for the office space is available. Upon motion by Wilbert Collins and second by Ervin Bruce, the Commission approved renewing the 5-year lease with Coast Guard and seeking appropriate rental from USCG. The motion carried with one nay vote and one abstention.

Chairman Bruce presented for the board's review the bids for supplying construction materials. Director Falgout reported that this is the annual bid received for sand, limestone, filter cloth, and other construction materials. Grand Isle Shipyard, who now owns Cajun Trucking, was the only bidder, and their numbers are consistent with last year's bids. Commissioner Martin questioned who had bid last year that did not bid this year. Director Falgout replied that Harris Dufrene had bid last year on yellow limestone and rip rap and that Cajun Trucking had bid last year, but they now are owned by Grand Isle Shipyard. Upon motion by Ervin Bruce and second by Chuckie Cheramie, the board unanimously approved the bid of Grand Isle Shipyard for construction materials and authorized Director Falgout to execute a contract with them for supplying the material.

Chairman Bruce presented for the board's review the bids for supplying Mid-Grade 89 Octane Gasoline to the Port Commission offices in Fourchon and Galliano. Breaux Petroleum was the low bidder at \$.91651 per gallon for Fourchon and \$.89651 per gallon in Galliano. Upon motion by Ervin Bruce and second by Wilbert Collins, the board unanimously approved the low bids of Breaux Petroleum and authorized Director Falgout to execute a contract with Breaux Petroleum for supplying fuel.

Finance – Chairman Larry Griffin reported that the committee met on January 23, 2002, at the Operations Center in Fourchon and on February 19, 2002, at the administration building in Galliano. Present at these meetings were Larry Griffin, Harry Cheramie and Donald Vizier, and no member was absent. The Commission then discussed items that were discussed at the Committee meetings.

Chairman Griffin presented for the board's approval the invoices for the month and recognized the expenditures in excess of \$10,000. Upon motion by Chairman Griffin and second by Harry Cheramie, the board unanimously approved the invoices for the month.

Chairman Griffin presented for the board's approval the Financial Statement for January 2002. Upon motion by Chairman Griffin and second by Donald Vizier, the board unanimously approved the January 2002 financial statement.

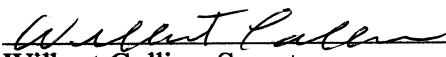
President Melancon called for Public Comment. Mr. Doug Cheramie reported that according to the new owner of PHI, there is no intention of moving out of Fourchon. Mr. Cheramie reported that he had a conversation with the new owner and specifically asked whether there were any such intentions, and he was assured that there were none.

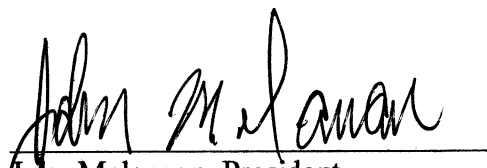
Commissioner Donald Vizier questioned how the project to place the remaining A-Jaxes had turned out. Director Falgout reported that it really looks good and that the blocks are expected to continue to perform well.

Commissioner Jimmy Lafont reported that in the February 2002 issue of *Wildlife and Fisheries* magazine, there are some really good pictures of Port Fourchon.

Upon motion by Larry Griffin and second by Ervin Bruce, the board unanimously agreed to adjourn the meeting.

ATTEST:


Wilbert Collins, Secretary


John Melancon, President