

AGENDA  
January 10, 2007

- I. Call to Order
- II. Pledge of Allegiance
- III. Ceremonial Administering of Oaths of Office
- IV. Roll Call
- V. Consider December 13, 2006 Regular Meeting Minutes for approval
- VI. Administrator's Report
  - A. **Northern Expansion Update**
    - 1) Construction Status:
      - a. Slip B, Northern Expansion Dredging – Joe Picciola
      - b. Slip B, Northern Expansion Road & Utilities – Joe Picciola
      - c. Slip B, West Bulkhead, Project #2 – Larry Picciola
      - d. Slip B, West Bulkhead, Project #3 – John Plaisance
  - B. **Airport Update/Project Status**
  - C. **FEMA Update**
    - 1) Wave Protection/Debris Fence Repairs
    - 2) Katrina FEMA Claims
  - D. **Highway Improvements Update**
  - E. **Port Security Report**
- VII. Committee Reports
  - A. Executive Committee
    - 1) Consider Executive Director position
    - 2) Consider the request from C-Port to swap property with Doerle for site GLF205/GLF208
    - 3) Consider the request from Hydro Carbon for property along LA3090
    - 4) Consider the request from Rotorcraft to amend the Rent House lease for 1 year
    - 5) Consider the request from Southern Tank Specialist to lease additional space on site GLF612
    - 6) Consider Delmar Lease issues (*possible Executive Session*)
  - B. Permits & Waterways Committee
    - 1) Permits:
      - a. Shell Pipeline Company
  - C. Construction & Development Committee
    - 1) Consider approving the low bidder for the yearly fuel bid
    - 2) Consider approving the low bidder for the semi-annual construction materials bid
    - 3) Consider approving Clear Lien Certificate from Ronald Adams for the Delmar Improvements
    - 4) Consider approving Clear Lien Certificate from Phylway for the Runway Extension Phase II
    - 5) Consider approving Change Order No. 2 from Greater Gulf for the Wharf Repair Project
    - 6) Consider approving the Substantial Completion Certificate from Centaur for the Bridge Repairs
  - D. Finance Committee
    - 1) Consider payment of invoices and recognize expenditures over \$10,000
    - 2) Consider approving the out of state travel requests
- VIII. Any other business
- IX. Public Comment
- X. Adjournment

Attachment

a) The pending litigation more specifically defined as "David Dardar, et al vs. Greater Lafourche Port Commission, Suit No. 102,795-17<sup>th</sup> JDC-Parish of Lafourche" may be discussed in an executive session.

b) The pending litigation more specifically defined as "Greater Lafourche Port Commission vs. James Construction LLC, et al, Suit No.105161 in Division E of the 17<sup>th</sup> JDC-Parish of Lafourche" may be discussed in an executive session.

OFFICIAL PROCEEDINGS OF THE GREATER LAFOURCHE PORT COMMISSION  
January 10, 2007

The Board of Commissioners of the Greater Lafourche Port Commission met in special session on Wednesday, January 10, 2007 at 10:30AM.

President Vizier called the meeting to order.

District Judge Walter Lanier, Jr. performed the ceremonial administering of oaths of office for Chuckie Cheramie, Perry Gisclair, Jimmy Lafont, Donald Vizier, Larry Griffin, Jimmy Guidry and Ervin Bruce. Port Attorney Bryce Autin performed the ceremonial administering of oaths of office for Wilbert Collins and John Melancon.

Vice President Lafont called the roll.

ATTENDED: Chuckie Cheramie, Perry Gisclair, Jimmy Lafont, Donald Vizier, Wilbert Collins, Larry Griffin, John Melancon, Jimmy Guidry, and Ervin Bruce

ABSENT: None

Upon motion by John Melancon and second by Ervin Bruce, the board unanimously approved the December 13, 2006 Regular Meeting Minutes.

**Administrator's Report**

Northern Expansion Update – Engineer Joe Picciola reported that the contracts with Weeks Marine have been executed and they are in the process of scheduling a pre-construction meeting for Slip B, Northern Expansion Dredging. The contractor is currently working with the Corps of Engineers in Pass Fourchon.

Engineer Joe Picciola reported that the plans and specs are complete and he is waiting approval from DOTD to move forward with advertising for Slip B, Northern Expansion Road & Utilities project. Commissioner Cheramie questioned the amount of days for project completion, which Mr. Picciola replied that the project is scheduled for 90 days which involves installing the waterline and aggregate for the road base. The road will be asphalted in another year.

Engineer Larry Picciola reported that the contractor has resolved the problem of re-screening the aggregate to bring it up to spec for Slip B, West Bulkhead, Project #2. They have hauled in all the material they had stockpiled. Mr. Picciola explained in detail the problems the contractor has had in getting the materials on site. He looked at other options such as using expanded clay and limestone to meet the weight requirement for the remaining portion. He released the contractor to start hauling the available clay material. Director Falgout questioned the cost of clay compared to aggregate, which Mr. Picciola replied that it is more expensive which will be paid by the contractor. Mr. Picciola stated that the board needs to consider this type of material for future projects. Director Falgout questioned if there is the option of not using that type of material and using longer sheet piles to compensate for the lightweight aggregate for future projects. Mr. Picciola replied that there is increased cost for any option. Director Falgout questioned if soil borings or test piles are being taken for the design for the new bulkhead. Mr. Picciola replied that there are no test piles but they are doing soil borings. Director

Falgout questioned if the soil borings are being taken north of the proposed bulkhead, which Engineer Plaisance replied that they are doing soil borings 1,000 feet north of the proposed project.

Engineer John Plaisance reported that Eustis Engineering is scheduled to be on site next week to begin soil borings for Slip B, West Bulkhead, Project #3 and Project #4. President Vizier questioned the depth of Slips A & B and if we will have deeper slips in the future. Mr. Plaisance reported that the slips are between 26'-27' depth. He stated that future slips can be designed for deeper depths which will result in an increased cost.

President Vizier questioned if it could go to 35' depth, which Mr. Plaisance replied that it depends on where in the Port and how well the dirt is compacted. Director Falgout stated that when the port evaluated the cost of going from 24' to 29' depth all the engineers had different scenarios. At that depth you are at a threshold of doing a pier dock rather than a bulkhead. The cost will be much higher from \$6,000 per linear feet compared to \$3,500 linear feet we are at now. The bulkhead design for Slip B is at 29' depth. As we permit the design in Slip C for deeper draft we will need to plan for additional cost to do that.

Commissioner Chuckie Cheramie stated that the board needs to start looking at deepening the slips because just this week there were 4 ships that came in to Port. President Vizier requested that the engineers get quotes on deeper draft slips. Mr. Larry Picciola reported that prices for a 35' depth were approximately \$12,000-\$13,000 per linear feet of bulkhead. Commissioner Melancon questioned that if we decide to do deeper drafts what would happen to the existing bulkheads and will they have to support the 35' draft. Mr. Picciola stated that the existing bulkheads will not be able to get that draft and they will fail. Director Falgout stated that there is 200' of buffer zone area with 300' passage in the middle of Slips A & B. The middle could be dredged deeper but you will be limited to soil stability along the 200' buffer area washing into the deeper channel which would cause damage to the bulkhead. He stated that you could go 5'-6' more deep in the channel without damaging the bulkhead. The 35'-40' depth would be chancing it and would threaten existing bulkheads. Any future slip could be designed but you would pay the price. Commissioner Guidry stated that we need to also look at that depth all the way to the sea buoys and not in any particular slip. Director Falgout stated that is the concept for future development of Fourchon Island which bulkheads could be designed at 50' depths without impacting the northern extremities of the Port.

Airport Update – Mr. Breaux reported that the Electrical and Lighting project is 50% complete and DOTD is doing an inspection today. The pre-construction meeting for the Runway Strengthening project is scheduled for next week. Mr. Breaux received the new hangar design layout for the 2 interested tenants that are ready to build at the Airport. This information will be forwarded to both Tram Aviation and Lee Orgeron. Director Falgout stated that we are looking at using EDA funding to build the taxiway to these projects.

FEMA Update – Mr. Chiasson reported that the Wave Protection construction phase is on hold until landowner issues are resolved. He stated that Mr. Breaux and Mr. Autin will be meeting with the landowners on Friday. He stated that we received approval from FEMA for our appeal to fund the repairs to the debris fence. Mr. Chiasson reported that Sealevel will complete the work agreed upon last month. The port will then advertise to replace the remaining portions of the damaged fence. Commissioner Griffin questioned when the FEMA funding will be received for the debris fence repairs, which Mr. Chiasson replied that FEMA will reimburse us as they receive the invoices. Mr. Chiasson stated that Sealevel is expected to begin within the next few weeks to straighten portions of the fence. Mr. Chiasson reported that there is a change

order later on the agenda to replace damaged and missing pilings at Nerby Collins Marina and Port Fourchon Marina for the Wharf Repair project. The contractor began driving pilings last week for the Front Marina Bulkhead project. Also for this project, the port has re-issued a notice to proceed from the date the pilings were delivered which is November 6, 2006.

Mr. Chiasson reported that Maintenance Operator, Carl Martinez has piled up the debris on the Maritime Forest Ridge and we are waiting for a barge and track machine from Grand Isle Shipyard to remove the debris from the ridge. He also reminded the board that the FEMA Flotation Canal Dredging project pumped material onto the ridge and there are funds available to shape the ridge which will be done in late spring or early summer. Commissioner Melancon questioned the funds available to shape the ridge, which Mr. Chiasson replied that there is \$1.5 million. Director Falgout stated that we are bound in the Maritime Forest Ridge permit to build tidal creeks every 1,000 ft. We will combine the shaping of the ridge with the tidal creek project and have the same contractor start on the western most part of the ridge to shape and cut gaps toward the east. Once this is done there will be no access until we build bridges over the gaps. Commissioner Guidry questioned if this will be done by the port's excavator, which Director Falgout stated that the port's machine stacked the debris but the shaping and tidal creeks will be awarded to an outside contractor. Commissioner Melancon questioned if the vegetation that was planted on the ridge holding up. Director Falgout replied that the edges were planted with salt water marsh grass which held well. They planted the top of the ridge with several types of woody plants. Mr. Breaux stated that the plants along the edge held up and there are some plants that survived on the top of the ridge. We will have a better assessment after the growing season.

Highway Improvements Update – Mr. Henri Boulet, director of the LA 1 Coalition stated that the highway administration approved the contract by James Construction in the amount of \$137 million for Phase 1A two-lane highway from Leeville south to Fourchon. DOTD is anticipating awarding the contract within the next few days. The Coalition has been monitoring the federal royalty funds that are projected to come to our state in the next year and how they will prioritize using these funds. Past legislation will allow for a percentage of these funds to address critical infrastructure needs which support outer-continental shelf needs like LA 1. Our next project is to secure funding for Phase 2 from Leeville north to Golden Meadow. He is still working with the Louisiana Recovery Authority on several topics such as there plan on spending \$50 million on regional projects around the state that help out with recovery. Our highway project is critical infrastructure which allows people to get back to Fourchon will hopefully qualify for this funding. LRA is connected to a program called LA speaks. They will have a luncheon in Larose on January 24, 2007 at the Larose Civic Center. He encourages all to attend. They will present 3 different plans on growth, roadways, economic development for ports, and different degrees of infrastructure for our area. We want to make sure that our needs are in the long term plan that the Governor is pushing forward.

There is another option of getting more funds for our highway project which is the Hazard Mitigation Grant program. This is part of the federal funds that came to our state and we will be submitting an application in the spring. The federal government provides 3 quarters of the funds for a project that will reduce a threat during a natural storm. Phase 2 of the highway project qualifies us for this program because of the evacuation route and a route for companies to haul equipment out for a storm. He thanked everyone who attended the MMS meeting in Larose and others who submitted comments. This was for the latest draft EIS for 11 lease sales in the next 5 years in the gulf for the central and western planning area. The Coalition submitted a request to MMS for the federal government to bring their level of funding up to the participation of the

local community for what LA 1 does for the oil industry. Through tolls we are going to pay \$150 million, the state's commitment is \$100 million, and the federal commitment is still at \$76 million. We brought that information to MMS and they are looking at a method to bring their commitment up. The Coalition is hosting another hearing which will discuss the separate EIS for a lease that will be serviced out of Fourchon. This will be another opportunity for us to push MMS for funds for all the impacts of LA 1 since 1997.

The CPRA which is the states official authority for restoration of the coast and comprehensive levee protection received comments on the draft plan for our levee system. The draft plan calls for 1% structural level protection for South Lafourche system. The Coalition and several people from the community pushed for higher protection of 17'. The Coalition has asked them to consider the same level of protection as the height of the highway not to create a soup bowl. CPRA is having a meeting on February 6<sup>th</sup> to discuss all the comments received.

The LA 1 project had great publicity in the Money Section of the Times Picayune by Kate Stevens regarding DOTD's upcoming awarding of Phase 1A and the need to secure access to Grand Isle and Port Fourchon. Commissioner Gisclair questioned if preliminary actions for Phase 2 can be done without any commitments of funding, which Mr. Boulet replied that the state is looking at acquiring right of ways right now. Commissioner Melancon questioned the \$1.5-\$2 billion that the state has in surplus if we have any chance of getting some for LA 1, which Mr. Boulet replied that we should get \$55 million which the Governor has asked for from legislation. The state had to commit to \$90 million for Phase 1A to appease the bonds. She agreed to it but not sure where to get all of it. She is hoping to receive \$35 million from Energy funds of last year from the CIP program and \$55 million from legislation. We have made our Congressional Delegation aware of what the Governor wants to do so that they can also push for the same thing. Director Falgout stated that the Governor may also request more than \$55 million to compensate for the increased bid amount.

Port Security Report – Director Falgout stated that from the past several years of effort from our Congressional Delegation for Port Fourchon to be eligible for Port Security funding for this year, we have finally made the list. We are in the tier 3 ports which means there are about 50 ports competing for \$30 million of funds. We will be working on a good request to land some funds. The match will be 25% local and 75% federal on this grant. He stated that back in 2004 we were not included in the Department of Homeland Security criteria because it was more geared toward population centers and container ports. Through the efforts of our Congressional Delegation, especially Congressman Melancon and working with Congressman Jindal's committee, we were able to get that changed. Port Fourchon and LOOP have been added to be eligible. Commissioner Cheramie stated that Congressman Jindal was on TV talking about Fourchon and the security grant. He questioned where is our representative to push for the security grant? Director Falgout stated that Congressman Jindal does frequent visits to New Orleans television stations to update his constituents. Although Fourchon is not in his district, he helped us by having his committee come to Fourchon for a congressional hearing on security related issues to get the ball rolling. Our Congressman did send a letter to Secretary Shiroff, had discussions at the highest level in DHS to include us, and was very active throughout the process. Mr. Chiasson reported that there is a scheduled meeting with US Coast Guard to discuss the grant process on January 24<sup>th</sup>. He stated that the grant applications are due on March 6<sup>th</sup>. He will be aggressively working on the application and will have something ready for the board to review at the next meeting.

## **Committee Reports**

Executive Committee - Chairman Donald Vizier reported that the committee met on January 8, 2007 at the Administration Building in Galliano. Present were Donald Vizier, Jimmy Lafont, and John Melancon. The Commission then discussed items that were discussed at the committee meeting.

President Vizier presented for the board's consideration the Executive Director position. Director Falgout stated that he is reconsidering his intention to retire. The major issues that changed his mind were commissioners and businessmen in the community asking him to reconsider and the major revenue sharing coming to this region and his experience in this area. He submitted to the board a draft of a proposed contract. He stated that a special meeting is scheduled for January 17<sup>th</sup> at 2:00PM at which time the board can consider the contract of the executive director position. He stated that in the interim, there is no executive director and the Port's attorney drafted an amendment of his existing contract from January 1<sup>st</sup> to January 17<sup>th</sup> for consideration today. Commissioner John Melancon made a motion to extend the executive director's contract which was second by Wilbert Collins and the floor was open for discussion. Commissioner Lafont questioned the time of the meeting, which Director Falgout stated that there was a conflict with 6:00PM and it was changed to 2:00PM. The board then voted which resulted in all yeas.

Upon motion by Larry Griffin and second by Wilbert Collins, the board unanimously approved the request from C-Port, LLC to swap properties with Doerle Properties, LLC for sites GLF205 and GLF208. President Vizier was authorized to execute the amendments of leases.

Upon motion by Ervin Bruce and second by Jimmy Guidry, the board unanimously approved the request from Hydro Carbon Specialist for property along LA3090. President Vizier was authorized to execute contract.

Upon motion by Wilbert Collins and second by Perry Gisclair, the board unanimously approved the request from Rotorcraft to amend their rent house lease for 1 year (SLA102). President Vizier was authorized to execute amendment.

Upon motion by Jimmy Lafont and second by Larry Griffin, the board unanimously approved the request from Southern Tank Specialist to lease additional space for short-term for storage on site GLF612. President Vizier was authorized to execute amendment.

President Vizier presented for the board's consideration the Delmar Lease issues. Mr. Autin reported that the lease with Delmar includes liquidated damages from February 18, 2006 which is also reflected in the James Construction contract for the construction of the bulkhead. We have assessed liquidated damages on James Construction and have retained that money. Now, Delmar is demanding their liquidated damages in the amount of \$420,000 due January 10, 2007. We still have outstanding issues regarding their improvement rental. He stated that considering all the circumstances this is a reasonable offer. He recommended that the board condition any payment of the liquidated damages on Delmar's approval of improvement rental which is included in the resolution presented to the board. Commissioner Lafont made the motion to approve the resolution which was second by Larry Griffin; the floor was then open for discussion. Commissioner Griffin questioned if the delay was from all the weather, which Mr. Autin stated that Delmar granted the Port 48 weather days of which 37 days was due to Hurricane Katrina and the others were from Ronald Adams Contractors and Grand Isle Shipyard doing extra work on their site. The board then voted which resulted in 8 yeas and 1 abstained by Chuckie Cheramie.

Permits & Waterways Committee - Chairman Chuckie Cheramie reported that the committee met on January 8, 2007 at the Administration Building in Galliano. Present were Chuckie Cheramie, Jimmy Lafont, and Donald Vizier. The Commission then discussed items that were discussed at the committee meeting.

Chairman Cheramie presented to the board the permit by Shell Pipeline Company which there was no objections.

Director Falgout requested an update from Mr. Callais regarding the debris field in Belle Pass. Mr. Jon Callais reported that the US Coast Guard received 4 bids and will release bids today but he hasn't heard of the results.

President Vizier exited the meeting.

Construction & Development Committee - Chairman Bruce reported that the committee met on January 8, 2007 at the Administration Building in Galliano. Present were Ervin Bruce, Larry Griffin, Wilbert Collins, and Donald Vizier. The Commission then discussed items that were discussed at the committee meeting.

Upon motion by Jimmy Guidry and second by Wilbert Collins, the board unanimously approved the low bid by Gaubert Oil Company for the yearly fuel purchase for Galliano in the amount of \$2.1509 Mid-Grade 89 Octane and \$2.0460 for Off-Highway Diesel and for Fourchon in the amount of \$2.1509 for Mid-Grade 89 Octane and \$2.0460 for Off-Highway Diesel.

Upon motion by John Melancon and second by Perry Gisclair, the board unanimously approved the low bid for the semi-annual construction materials to Civil Construction for river sand, yellow limestone, grey limestone 3x1/2 gradation, and man-size rip rap. The board also approved the low bids from Grand Isle Shipyard, Inc. for grey limestone 610 and 57 gradation, lightweight aggregate, man-size rip rap, filter cloth, and tensar material.

Upon motion by John Melancon and second by Wilbert Collins, the board approved the Clear Lien Certificate from Ronald Adams for the Delmar Improvements project with 1 abstain by Chuckie Cheramie.

Upon motion by Wilbert Collins and second by Chuckie Cheramie, the board unanimously approved the Clear Lien Certificate from Phylway Construction Company for the Runway Extension Phase II project.

Upon motion by Chuckie Cheramie and second by Perry Gisclair, the board unanimously approved Change Order No. 2 from Greater Gulf for the Wharf Repair project which increases the contract by \$26,600 with 50 days to add additional pilings to the wharves.

Upon motion by Jimmy Guidry and second by Ervin Bruce, the board unanimously approved the Substantial Completion Certificate from Centaur, LLC for the Fourchon Bridge Repairs.

Finance Committee - Chairman John Melancon reported that the committee met on January 8, 2007 at the Administration Building in Galliano. Present were John Melancon, Larry Griffin, Wilbert Collins, and Donald Vizier. The Commission then discussed items that were discussed at the committee meeting.

Upon motion by John Melancon and second by Ervin Bruce, the board unanimously approved the payment of December invoices and recognized expenditures over \$10,000.

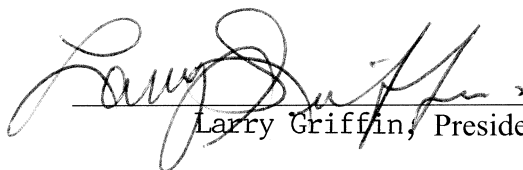
Upon motion by John Melancon and second by Wilbert Collins, the board unanimously approved the out of state travel requests by Chett Chiasson to Miami, FL for the AAPA Administrative and Legal Seminar on February 11<sup>th</sup> and Ted Falgout/Jon Callais to Houston, TX for a Port Security Conference on January 30<sup>th</sup>.

Vice President Lafont opened the floor for any other business. Commissioner Chuckie Cheramie stated that the Port's appointment on the South Lafourche Levee District will be coming up and requested that Mr. Autin look into it. Mr. Kirby Blanchard with Landrieu's staff addressed the board. He stated that he will be the regional manager for Senator Landrieu. He congratulated the commissioners on the ceremonies this morning. He stated that the Senator may be in the parish on Monday afternoon and will have the levee district and the port commission invited to bring up current issues. He stated that he is not sure of the time or place but will contact the office once this is scheduled. Director Falgout offered the Port Administration Building in Galliano for the meeting. Commissioner Lafont congratulated everyone sworn in this morning and stated that there are a lot of big and tough decisions to make and wants to work together for the next six years.

Vice President Lafont opened the floor for public comment. Mr. Charlie Callais from Cut Off addressed the board. He stated that he has information that could help out Louisiana in a lot of ways. Louisiana has the problem of coastal erosion. The new elevated bridge from Leeville to Fourchon is being placed over marshes and our wetlands and will be damaged from future hurricanes and the constant erosion problem. He stated that he has the solution to stop erosion. He requested that the board put him in contact with someone in charge of erosion so that he can explain his solution. He stated that his solution will work by stopping coastal erosion and help rebuild all the marsh land. We would have better security for our levee protection system. Director Falgout stated that he has seen Mr. Callais at other public meetings and heard his willingness to share this information and at those meetings state officials were there. He questioned if Mr. Callais has exchanged his ideas with them and why hasn't this moved any further. Mr. Callais stated that he believes it is because he is asking for a fee for his solution. Director Falgout stated that it is not customary for the state or any agency to pay a fee to hear an idea and that is probably why he has not gotten far. Mr. Callais stated that he has an agreement to be signed that if his solution is used in the future then he would get paid and if it is not used he wouldn't receive any money. Director Falgout requested that Mr. Callais give us his contact information after the meeting.

Upon motion by Larry Griffin and second by Chuckie Cheramie, the board adjourned the regular meeting.

ATTEST:

  
Larry Griffin, President

  
Wilbert Collins, Secretary