

AGENDA
November 14, 2007 @ 10:30 AM

- I. Call to Order
- II. Pledge of Allegiance
- III. Roll Call
- IV. Consider October 10, 2007 regular meeting minutes for approval
- V. Executive Director's Report
 - A. Northern Expansion Update:**
 - 1) Mooring Dolphins – Larry Picciola
 - 2) Slip B, East Bulkhead, Project #4 – Larry Picciola
 - 3) Slip B, West Bulkhead, Project #3 – John Plaisance
 - B. Airport Update/Project Status**
 - C. FEMA Update**
 - D. Highway Improvements Update**
- VI. Committee Reports
 - A. Executive Committee
 - 1) Consider amendment to Southern Tank Specialist, Inc. lease naming Coastal Environmental Operations, Inc. as lessee
 - 2) Consider approving lease agreement with Lockheed Martin for office space at Operations Building
 - 3) Consider amendment to Lot 14, LLC lease naming Martin Holdings as lessee
 - 4) Consider approving letter of support for the Lafourche Parish Government Capital Outlay for the Airport Corridor Access
 - 5) Consider taking action regarding Fourchon Seafood, Inc. lease
 - B. Permits & Waterways Committee
 - 1) Permits:
 - a. LA Department of Natural Resources
 - b. Greater Lafourche Port Commission
 - c. Maritech Resources, Inc.
 - d. Apache Corporation
 - C. Construction & Development Committee
 - 1) Consider approving Change Order No. 1 from Aubrey Silvey
 - D. Finance Committee
 - 1) Consider payment of invoices and recognize expenditures over \$10,000
 - 2) Consider approving Financial Statement from October 2007
- VII. Any other business
- VIII. Public Comment
- IX. Adjournment

OFFICIAL PROCEEDINGS OF THE GREATER LAFOURCHE PORT COMMISSION

November 14, 2007

The Board of Commissioners of the Greater Lafourche Port Commission met in regular session on Wednesday, November 14, 2007 at 10:30AM.

President Griffin called the meeting to order and Wilbert Collins called roll.

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

ABSENT: Jimmy Guidry

Upon motion by John Melancon and second by Wilbert Collins, the board unanimously approved the October 10, 2007 regular meeting minutes.

Executive Director's Report

Northern Expansion Update: Engineer Larry Picciola reported that Low Land Construction has completed the welding on the Mooring Dolphins and are now painting. He stated that one dolphin was hit before it was welded but it is fixed now. A report was made of the accident and the company has been contacted. The Port is not responsible since the project is still under construction.

Engineer Larry Picciola reported that he is waiting the results from Eustis Engineering CPT test for Slip B, East Bulkhead, Project #4. He did receive approval with a few comments from DOTD for the 700' bulkhead. He will add the changes along with the test results from Eustis into the plans. Director Falgout stated that we will not bid this project until it is determined if we will include the open cell technology design. He requested that Mr. Picciola put these plans on hold. Engineer Picciola reported that Gore Engineer has completed the soil borings for Phase II the 1,100' bulkhead. The borings were taken from the end of Slip B to Flotation Canal. He stated that Eustis will do the CPT test after Gore is complete.

Engineer John Plaisance reported that bids were accepted on October 5th for Slip B, West Bulkhead, Project #3. He stated that Low Land Construction Co. was the low bidder at \$12.84 million. Since the bid opening, he has received additional information from the geotechnical consultants which may result in major changes to bring the cost down and also the Port is looking at open cell technology. Commissioner Vizier requested a description of open cell technology, which Mr. Plaisance stated that it is a semi circle design with flat sheets interlocking. Director Falgout stated that Halliburton used this new design in Morgan City. The Port believes that it is worth including this design as an option to reduce cost. The bids are over the adjusted budget and it appears that there will be a significant change in the length of the sheets. As such, it was recommended that we reject the bids and re-bid the project with the adjusted design including an open cell alternative. Upon motion by Jimmy Lafont and second by John Melancon, the board rejected the bids.

Airport Update/Project Status – Airport Manager, Jason Duet reported that we have received the engineer's recommendation for liquidated damages on the Electrical and Lighting project. Aubrey Silvey Enterprises is 206 days behind schedule. LPA Group has determined that the contractor has 91 days of liquidated damages to be assessed which totals \$45,500. The remaining 115 days will be addressed in a change order at the next meeting for weather days and additional work. Phylway Construction is beginning the site prep at the airport. Commissioner Melancon questioned if the lighting is finished, which Mr. Duet replied yes.

FEMA Update – Mr. Chett Chiasson reported that the contracts have been signed by Grand Isle Shipyard for the Front Bulkhead Marina Phase II. The notice to proceed is expected by the end of the month. Stranco, Inc. has a few tie rods and dirt material to install for Front Bulkhead Marina Phase I

project. They should be complete by the end of this week. Picciola Construction placed the riprap for the Debris Fence Repairs project. The dirt fill material should be complete by the end of this week.

Highway Improvements Update – LA 1 Coalition Director, Henri Boulet reported that a request for funding from the State Capital Outlay Program for Phase 2 right of way acquisition has been submitted by DOTD. A similar request was submitted by the Parish Council last year but did not receive a funding recommendation by the administration. A change in the application will include only applying for the R/O/W acquisition funds, and will not include \$4.5 million of pipeline removal/relocation work. DOTD feels the \$2.5 million request would stand a far greater chance of being funded.

The contract between DOTD and Wilbur Smith Engineers to do Phase 2's R/O/W Mapping & Line Work is not yet signed. DOTD finance specialist asked that the contract be held until they could formalize how funding from unused supplements on Phase 1 design will be used to pay for this contract of approximately \$1 million of work. According to Phase 2 Project Manager, these issues are close to being resolved.

Phase 1D Toll Plaza bid documents are now scheduled to be let in February. This phase of the project will include construction of the actual electronic toll plaza, customer service center, signage to inform motorist for toll options, and 6 ATM's for prepayment of tolls.

The October 15th Congressional Quarterly Forum in Washington went well. Representatives of the federal agencies DOT, MMS, and DHS engaged in discussions on the existing vulnerability of LA 1, cost associated with constructing Phase 2, various ideas on securing funding for this segment, and specific challenges we face in obtaining such funding. With mounting pressure from people throughout this country to have Washington pass some form of an energy bill this year, we feel this legislation could be our best opportunity in the foreseeable future for congressional funding of Phase 2. However, this will not be easy. There is a growing segment of Congress which prefers to fund alternative energy technology/incentives above any need related to securing or expanding traditional drilling for oil and gas.

Last week the federal Water Resources Development Act became law. This law authorizes billions for water projects throughout Louisiana, and includes authorization but not appropriations of up to \$90 million of work in upgrades to the South Lafourche Levee District to bring levees to 100 year event heights. The legislation also authorized the Morganza to the Gulf Hurricane Protection System. If an alternate alignment of the Morganza System's East Side ties into the South Lafourche Levee System at a more southern point, this could enhance protection of the homes, businesses, and highways within the system.

Lafourche Parish is fortunate that public servants have been named to Governor Elect Jindal's Transition Team for Coastal Issues. State Representative Loulan Pitre has been named chairman along with South Lafourche Levee District General Manager Windell Curole, Lafourche Parish Engineer Larry Picciola, and Port Director Ted Falgout.

Commissioner Melancon questioned how long it will take to fund the WRDA bill, which Mr. Boulet responded that it was only authorized and it will be a competition to get funding. Congress will fund a small percentage. Director Falgout stated that there was no money with the bill authorization and without an authorization you can not get appropriation. Now that authorization is there Congress will not lay out billions of dollars all at one time. It will be in annual appropriations and there will be intense competition for that funding. We have been trying to fast forward our projects with Port money into Fourchon Restoration Initiative which will help move forward the restoration in our area. Things we do on our own will put us in a better position to be in line for funding. Also in the WRDA bill there is \$90 million for the Corps to do an environmental analysis to extend the maintenance of our channel north of the Flotation Canal. We are working with the Corps to get that implemented. Also we have been establishing a local strategy by meeting with legislation to make sure we are all on the same page for the coastal restoration effort to move toward implementation and who should be leading this effort. Hopefully the new governor will make the hard decisions necessary to move toward meaningful and aggressive implementation of our coastal restoration efforts. Commissioner Melancon expressed disappointment that funding was not included in the bill and we have to fight for funding. Director Falgout stated that the Water Resource Act is usually authorized every other year but it has been 7 years since the last one and all the projects are

backlogged. The bill for \$30 billion includes all these projects that had no appropriations to move forward because there was no authorization to do so.

Director Falgout stated that the Port has been working on getting additional water into Bayou Lafourche. There have been studies and evaluations done for the past 15 years. Through discussions with DNR Secretary Angelle, he decided to join with us and commit state funding aside from authorization in the WRDA bill. State funding of \$5 million will do the initial dredging on the northern part of Bayou Lafourche which will allow the pumping station to double the amount of water in the bayou. We will see this within the next 2 years.

President Griffin veered from the agenda to recognize candidates in the upcoming election. Mr. Chris Gaudet a candidate for Lafourche Parish Council District 8 addressed the board.

Committee Reports

Executive Committee - Chairman Griffin reported that the committee met on October 24, 2007 at the Operations Building in Fourchon. Present were Larry Griffin, Jimmy Lafont, and John Melancon. Wilbert Collins was absent. The Commission also met on November 13, 2007 at the Administration Building in Galliano. All members were present. The Commission then discussed items that were discussed at the committee meetings.

Upon motion by Donald Vizier and second by Wilbert Collins, the board unanimously approved the amendment to Southern Tank Specialist, Inc. lease naming Coastal Environmental Operations, Inc. as the lessee for Site 612.

Upon motion by Ervin Bruce and second by Wilbert Collins, the board unanimously approved the lease agreement with Lockheed Martin for office space at the Operations Building to begin the TWIC card enrollment center at Port Fourchon.

Upon motion by Perry Gisclair and second by John Melancon, the board unanimously approved the amendment to Lot 14, LLC lease naming Martin Holdings, Inc. as the lessee for Site 352.

Upon motion by John Melancon and second by Donald Vizier the board unanimously approved sending a letter of support for the Lafourche Parish Government Capital Outlay for the Airport Corridor Access.

Chairman Griffin presented for the board's consideration taking action on Fourchon Seafood, Inc. lease. Director Falgout reported that there is debris on the site along with areas that need to be addressed. There were letters sent along with verbal conversations with the lessee. It is recommended that the Port send another formal notice of default giving the lessee until the December board meeting to respond with plans to correct the situation. Upon motion by Perry Gisclair and second by Chuckie Cheramie, the board unanimously approved issuing another notice of default.

Permits & Waterways Committee - Chairman Cheramie reported that the committee met on October 24, 2007 at the Operations Building in Fourchon. Present were Chuckie Cheramie, Jimmy Lafont, and Larry Griffin. Perry Gisclair was absent. The Commission also met on November 13, 2007 at the Administration Building in Galliano. All members were present. The Commission then discussed items that were discussed at the committee meetings.

Chairman Cheramie presented to the board the permits by Louisiana Department of Natural Resources, Greater Lafourche Port Commission, Maritech Resources, Inc., Castex Energy, Inc., and Apache Corporation. Director Falgout reported that the permit by DNR is a project to create dunes along the beach with the marsh grass from the hurricanes. This is an experimental project of building a dune by digging holes and filling it with marsh grass and topping it with sand. This will be a demonstration project to show that this material can be used in a beneficial way for future storms.

Director Falgout reported that the GLPC permit is to stabilize the northern portion of the Flotation Canal with rip rap along the canal. He stated that FEMA is interested in funding this but there is no final word. This will be a huge benefit not only for storms and regular erosion, but it will protect the ridge and mitigation area and will stop siltation in the channel.

Commissioner Cheramie reported that he received calls Monday because the bridge was closed to vehicle traffic. He reported that the curfew for the bridges is from Monday to Friday except Federal

holidays from 7:00 am – 8:30 am, 2:00 pm – 4:00 pm, and 4:30 pm – 5:30 pm. He stated that Monday was a Federal holiday therefore curfews were not in effect.

Construction & Development Committee - Chairman Bruce reported that the committee met on October 24, 2007 at the Operations Building in Fourchon. Present were Ervin Bruce, Larry Griffin, and John Melancon. Donald Vizier was absent. The Commission also met on November 13, 2007 at the Administration Building in Galliano. All members were present. The Commission then discussed items that were discussed at the committee meetings.

Upon motion by Wilbert Collins and second by Ervin Bruce, the board unanimously tabled the consideration of Change Order No. 1 from Aubrey Silvey Enterprises, Inc.

Finance Committee - Chairman John Melancon reported that the committee met on October 24, 2007 at the Operations Building in Fourchon. Present were John Melancon, Jimmy Guidry, and Larry Griffin. Wilbert Collins was absent. The Commission also met on November 13, 2007 at the Administration Building in Galliano. Jimmy Guidry was absent. The Commission then discussed items that were discussed at the committee meetings.

Upon motion by John Melancon and second by Wilbert Collins, the board unanimously approved the payment of October invoices and recognized expenditures over \$10,000.

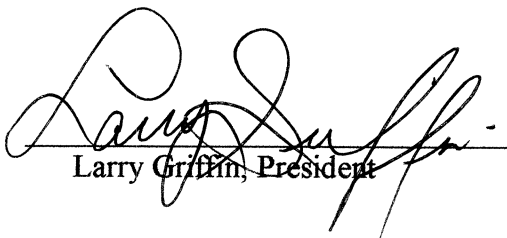
Upon motion by John Melancon and second by Jimmy Lafont, the board unanimously approved the October 2007 financial statement.

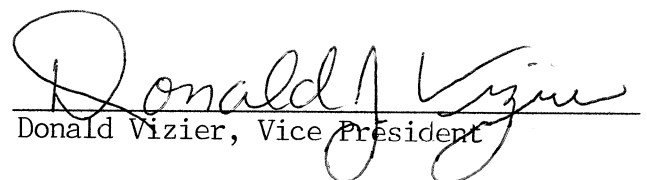
President Griffin opened the floor for any other business. Commissioner Cheramie stated that he attended a conference in New Orleans a few weeks ago with shipping companies. He was questioned if the Port would look into ways for harbor pilots to come in to Port. It was stated that the Port had an ordinance to use only certain pilots in Fourchon which there is no such ordinance. He wants the Port to look into a pilot association to have more harbor pilots available to bring in ships. Director Falgout stated that when we first ventured into foreign trade 15 years ago the state law was to create a pilot association. We moved for that and an association was established with a few members qualified and a board of examiners that selects the pilots that are established in legislation. It was all in place, but pilots at that time made a move to force mandatory piloting and the Commission did not agree. The Pilot Commission never met to select pilots for Fourchon. Since then there have been people who attained a federal pilot license that can bring in ships and we have been using them. There are others that make themselves available but are not pilots. There is no ordinance and there are no mandatory pilots. If we move toward a pilot organization they will want to have the state mandatory pilots like other Port's have. Commissioner Cheramie stated that we need to contact these shipping companies and let them know that there is no mandatory piloting in Fourchon. Director Falgout stated that most companies go to our website and we will make sure that it is posted on there.

President Griffin opened the floor for public comment. Commissioner Melancon requested that Mr. Collins give a summation of his trip to Panama. Commissioner Collins stated that it was a good trip and they were well accepted and it was a great turn out. He attended 2 days of meetings and one night they met the Ambassador.

Upon motion by Jimmy Lafont and second by John Melancon, the board adjourned the regular meeting.

ATTEST:


Larry Griffin, President


Donald Vizier, Vice President