

AGENDA
December 12, 2007 @ 10:30 AM

- I. Call to Order
- II. Pledge of Allegiance
- III. Roll Call
- IV. Consider November 14, 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
 - E. Coastal Issues Update
- VI. Committee Reports
 - A. Executive Committee
 - 1) Consider approving assignment of lease from Rowan Marine Services to HOS Port, LLC for Site 601
 - 2) Consider approving VIH landlord disclaimer agreement
 - 3) Consider approving Expert Riser Solutions landlord disclaimer agreement
 - 4) Consider approving Lafourche Telephone Company landlord disclaimer agreements
 - 5) Consider approving CCS Energy Service landlord disclaimer Agreement
 - 6) Consider approving CCS Energy Service's request to lease a portion of Site 604
 - 7) Consider taking action regarding Fourchon Seafood, Inc. lease
 - 8) Consider adopting a resolution in support of the CDBG Fisheries Infrastructure Grant Application for Storm Harbor Marina
 - 9) Consider adopting the resolution for the VIH Bond Ordinance
 - B. Permits & Waterways Committee
 - 1) Permits:
 - a. Discovery Gas Transmission LLC
 - b. Terrebonne Levee and Conservation District
 - c. LA DOTD
 - d. Swift Energy Operating, LLC
 - e. Nat P. Alario
 - f. Blanchard Contractors, Inc.
 - g. Louisiana Delta Farms Partnership
 - C. Construction & Development Committee
 - 1) Consider approving Change Order No. 1 from Aubrey Silvey for the Electrical and Lighting project
 - 2) Consider approving Change Order No. 1 from Low Land Construction for the Mooring Dolphins
 - 3) Consider approving the Substantial Completion Certificate by Low Land Construction for the Mooring Dolphins
 - 4) Consider approving the Change Order No. 2 by Picciola Construction for the Debris Fence Repairs
 - 5) Consider approving the Substantial Completion Certificate by Picciola Construction for the Debris Fence Repairs
 - D. Finance Committee
 - 1) Consider payment of invoices and recognize expenditures over \$10,000
 - 2) Consider approving Financial Statement from November 2007
 - 3) Consider approving out of state travel request
 - 4) Consider approving the 2008 Pay Guidelines
 - 5) Consider approving the 2008 Budget
- VII. Any other business
- VIII. Public Comment
- IX. Adjournment

OFFICIAL PROCEEDINGS OF THE GREATER LAFOURCHE PORT COMMISSION

December 12, 2007

The Board of Commissioners of the Greater Lafourche Port Commission met in regular session on Wednesday, December 12, 2007 at 10:30AM.

President Griffin called the meeting to order and Donald Vizier called roll.

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

ABSENT: Wilbert Collins and Ervin Bruce

Upon motion by John Melancon and second by Perry Gisclair, the board approved that in the absence of Secretary Collins, Vice President Vizier will be acting secretary.

Upon motion by Donald Vizier and second by Jimmy Guidry, the board unanimously approved the November 14, 2007 regular meeting minutes.

Executive Director's Report

Northern Expansion Update – Engineer Larry Picciola reported that the 9 Mooring Dolphins are complete and the closeout documents are ready for approval. Engineer Picciola reported that he is continuing to do the design work on both the 700' and 1,100' bulkhead for Slip B, East Bulkhead, Project #4. He is waiting results from Project #3 to move forward with the bid process. Engineer John Plaisance reported that he is awaiting the reports from the geotechnical consultants to complete the bid packet and include the open cell design for Slip B, West Bulkhead, Project #3. Once the reports are received, he will send the new plans to DOTD for review and approval.

Airport Update/Project Status – Airport Manager, Jason Duet reported that the Electrical project by Aubrey Silvey is complete and there is a change order on the agenda for approval for the additional work and liquidated damages. The Port, LPA Group and Aubrey Silvey concur with the liquidated damages. Phylway is working on the site prep for the Parallel Taxiway. We are awaiting the Corps' determination for the north levee at the airport which is expected after the holidays.

FEMA Update – Chett Chiasson reported that the preconstruction meeting was yesterday for Phase II of the Front Marina Bulkhead project. Grand Isle Shipyard has ordered the material and will be on site in January. They will drive the pilings and have a subcontractor SBL Contractors construct the bulkhead. He reported that Stranco has been delivering dirt material for Phase I. They have delivered a total of 14 loads out of the 50 that is required. They estimate completion within the next few weeks. Director Falgout questioned if the contractor gets rain days for the remaining dirt material, which Engineer Plaisance stated that will be determined by the Commission. Commissioner Melancon questioned why it is taking so long for the dirt material, which Engineer Plaisance replied that they are having trouble finding trucks to haul the material. Commissioner Gisclair questioned the remaining debris on site, which Mr. Breaux stated that the contractor still has debris on the site that needs to be removed. Mr. Breaux will have the debris piles marked to identify between the contractor and the lessee. Mr. Chiasson reported that the Debris Fence Repairs are complete and the closeout documents are ready for approval.

Highway Improvements – Director Falgout reported that the Energy Bill passed in the House but has not moved in the Senate. There are no components in it for the Phase 2 project (Leeville Bridge to Golden Meadow). Hopefully, next year we will be able to define Phase 2 in the Energy Bill along with a mechanism for funding. The contract between DOTD and Wilbur Smith to do Phase 2 Right of Way and Mapping is now on Secretary Bradberry's desk to be signed. The Phase 1D Toll Plaza bid documents are now 95% complete and is set to be let in February. Since last month, Mr. Boulet has been appointed to

Governor Elect Jindal's Advisory Committee on Emergency Preparedness and the Blueprint Louisiana's Transportation Committee. This should allow the LA 1 Project to remain in the forefront of state transportation leaders. Last night, LRA approved an additional \$500 million into the Long Term Recovery Plan. The money will be distributed based on each parish's percentage of damage from the storms. Lafourche should receive in excess of \$3 million of these funds, and the LA 1 Project remains identified as 1 of 6 high priority projects of Lafourche from a total of 26 projects recognized by FEMA in 2005.

Coastal Issues Update – Director Falgout reported that considerable improvements have been made to the Davis Pond project in an effort to generate the proper water levels. The goal is to achieve a full 10,500 cubic feet per second delivery and see how the structure impacts the estuary. Director Falgout is attending a meeting this afternoon with DNR for the Bayou Lafourche project. DNR is permitted to dredge the northern portion of Bayou Lafourche to increase the water flow. Currently the pump station is delivering 150 cfs. Next year, the dredging of the bayou should allow the pump station to deliver 300 cfs. When the full diversion project is completed in the next few years, it should deliver 1,000 cfs. Director Falgout informed the Commission that he is taking a leadership role in moving this project under his authority as chairman of the Subcommittee on Diversions, of the Governor's Advisory Committee on Coastal Restoration. Director Falgout also informed the Commission that as a member of the Governor's Coastal Transition Team, he is participating in shaping a policy for the Governor to accept and move toward aggressive implementation for our coastal restoration efforts. State Coastal Impact Assistant program has Louisiana as the first state to receive approval in Washington for \$500 million that will go toward projects such as the Maritime Forest Ridge and several other major projects in Lafourche.

Committee Reports

Executive Committee - Chairman Griffin reported that the committee met on November 28, 2007 at the Operations Building in Fourchon. Present were Larry Griffin, Jimmy Lafont, John Melancon and Wilbert Collins. The Commission also met on December 10, 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 John Melancon and second by Chuckie Cheramie, the board unanimously approved the assignment of lease from Rowan Marine Services, Inc. to HOS Port, LLC and the proposed amendment of lease for site 602.

Upon motion by John Melancon and second by Chuckie Cheramie, the board unanimously approved the VIH Helicopters landlord disclaimer agreement for property at the airport.

Upon motion by John Melancon and second by Jimmy Guidry, the board unanimously approved the Expert E&P landlord disclaimer agreement for the three sites in Fourchon.

Upon motion by Perry Gisclair and second by Donald Vizier, the board unanimously approved the Lafourche Telephone Company landlord disclaimer agreements for sites in Fourchon and at the airport.

Upon motion by Donald Vizier and second by Chuckie Cheramie, the board unanimously approved the CCS Energy Service landlord disclaimer agreement for property in Fourchon.

Upon motion by Chuckie Cheramie and second by Donald Vizier, the board unanimously approved CCS Energy Service's request to lease a portion of Site 604 for non-permitted transfers.

Chairman Griffin presented for the board's consideration taking action regarding Fourchon Seafood, Inc. lease. Director Falgout stated that Fourchon Seafood was issued a 30 day notice of default to clean up their lease site. Yesterday the containment wall was pumped out and cleaned. They also sent a letter stating that they are still interested in the lease. Upon motion by Perry Gisclair and second by Donald Vizier the board unanimously voted to take no action on Fourchon Seafood. Commissioner Melancon stated that the Port should begin removing the debris on the site that was from the construction work. Director Falgout stated that it is the contractor's responsibility but since they have not moved quickly if we see something interfering with Fourchon Seafood's operations we will remove it.

Chairman Griffin presented for the board's consideration adopting a resolution in support of the CDBG Fisheries Infrastructure Grant Application for Storm Harbor Marina. Director Falgout stated that this concept is to build a safe storm harbor north of the Golden Meadow locks on property owned by the

South Lafourche Levee District. The Parish is active in submitting this and we envision that the Port would administer the facility. The marina would have a public boat launch and the ability to house commercial and recreational vessels during storms inside the floodgates. It is estimated at \$2 million. Since it is designed to accommodate vessels during storms, we are looking at a steel pile mooring system and placing steel pile clusters across the bayou. Commissioner Vizier questioned if it will be first come first serve and if it will be year round? Director Falgout stated that there is only \$19 million available and we are competing for funding. If we are successful and the Port administers the facility, this commission would make those decisions. Commissioner Guidry questioned if the Port would manage the security of the marina, which Director Falgout replied yes. The officers would monitor the marina enroute to Fourchon but the Sheriff's office may be the major law enforcement present. Upon motion by Chuckie Cheramie and second by John Melancon, the board unanimously adopted the resolution.

Upon motion by John Melancon and second by Jimmy Guidry, the board unanimously approved adopting the resolution for the VIH Bond Ordinance which will allow them to take advantage of the Go Zone Bonds for improvements at the airport.

Permits & Waterways Committee - Chairman Cheramie reported that the committee met on November 28, 2007 at the Operations Building in Fourchon. Present were Chuckie Cheramie, Jimmy Lafont, Larry Griffin, and Perry Gisclair. The Commission also met on December 10, 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 Discovery Gas Transmission LLC; Terrebonne Levee and Conservation District; LA DOTD; Swift Energy Operating, LLC; Nat P. Alario; Blanchard Contractors, Inc.; and Louisiana Delta Farms Partnership. Commissioner Lafont reported that there have been recent problems with permits issued to Swift Energy. He stated that it seems that Swift Energy is not following the requirements in the permit. He recommends that the Port send a letter of concern to make sure they are doing what is permitted. Director Falgout requested that Mr. Lafont provide him with details of past jobs that they didn't follow the permit in order to write the letter.

Construction & Development Committee - Chairman Bruce reported that the committee met on November 28, 2007 at the Operations Building in Fourchon. Present were Ervin Bruce, Larry Griffin, John Melancon, and Donald Vizier. The Commission also met on December 10, 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 John Melancon and second by Jimmy Guidry, the board unanimously approved Change Order No. 1 an increase of \$17,056.80 from Aubrey Silvey for the Electrical and Lighting.

Upon motion by Perry Gisclair and second by Jimmy Guidry, the board unanimously approved Change Order No. 1 a decrease of \$810.00 by Low Land Construction for the Mooring Dolphins.

Upon motion by Jimmy Guidry and second by Donald Vizier, the board unanimously approved the Substantial Completion Certificate by Low Land Construction for the Mooring Dolphins.

Upon motion by Perry Gisclair and second by John Melancon, the board unanimously approved Change Order No. 2 a decrease of \$615.71 by Picciola Construction Co. for the Debris Fence Repairs.

Upon motion by Chuckie Cheramie and second by Donald Vizier, the board unanimously approved the Substantial Completion Certificate by Picciola Construction for the Debris Fence Repairs.

Finance Committee - Chairman John Melancon reported that the committee met on November 28, 2007 at the Operations Building in Fourchon. Present were John Melancon, Jimmy Guidry, Larry Griffin, and Wilbert Collins. The Commission also met on December 10, 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 John Melancon and second by Donald Vizier, the board unanimously approved payment of November invoices and recognized expenditures over \$10,000.

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

Upon motion by John Melancon and second by Jimmy Guidry, the board unanimously approved the out of state travel request by Chett Chiasson to attend the AAPA Partnership Planning and Development seminar on February 24, 2008 in San Diego.

Chairman Melancon presented for the board's consideration the 2008 Pay Guidelines Policy. Mr. Rome stated that since the Port exited from the State Civil Service program this year, the Port is now ready to adopt our own guidelines in accordance with employee pay raises. Upon motion by Johnny Melancon to adopt the pay policy which was seconded by Donald Vizier, the floor was open for discussion. Commissioner Lafont questioned the midpoint scale. Mr. Rome explained that every employee who is at their midpoint could receive a 0%, 3%, or 5% raise each year except the director who has an employment contract. Commissioner Cheramie stated that he is not in favor of this policy and feels that some employees were demoted.

Commissioner Guidry stated that he tried to look at all sides and stated that the Port made a decision years ago to better the employees pay and now it is time to redefine each position. It is hard to please everyone. He doesn't agree with all the items on the scale but it is the best we can come up with. Commissioner Melancon stated that we try to be fair to everyone and there's not much more we could have done. He stated that there is room for improvement but he supports this policy. Commissioner Vizier stated that each employee is still getting a raise even though their title changed. Director Falgout explained the demotion concept as discussed. When we were in Civil Service, we tried to pay employees as high as possible to keep them. This forced us to find job descriptions that were higher than the actual job duties. This new policy identifies each person's job description to better define what they really do. The end result is that they all got a minimum of 4% increase. It was a hard process of finding the proper title for each person and it is not a demotion but a better description of the actual job duties.

Commissioner Lafont stated that there is a plus in this budget that we finally have a scale the Board will go by and no longer be associated with Civil Service. He stated that some employees received 12% or 18% increases and the ones that received a 4% because of a title change don't seem happy even though they received a raise. He requested that this be better explained to the employees for us to get back on the same team. There are some good items in this policy to move forward with and we will back up this policy next year. Commissioner Gisclair stated that the 2% is discretionary by the board and is limited to the financial ability of the Port. Once the 1% - 3% increases are recommended after evaluations by the supervisors and approved by the director, will this also come before the board for approval? Mr. Rome replied yes. Commissioner Gisclair questioned if the job descriptions change then the pay scale changes, which Mr. Rome replied yes but we will not change the descriptions just to get employees a higher salary. Commissioner Cheramie stated that last year the administration presented a similar scale and stated that no one this year would get more than a 4% increase. If this policy is approved, he wants a guarantee that the pay scale will not change again, which Mr. Rome replied that the policy will not change. The only change would be if an employee changes positions then their midpoint may be adjusted. Commissioner Gisclair questioned the employees that are not at their midpoint? Mr. Rome explained that those employees that don't have 5 years of experience may get a higher percentage until they reach their midpoint. Only 4 employees don't have 5 years of experience in their current position. Once they get to the midpoint, the increases will be 0%, 3%, or 5%. Commissioner Melancon stated that the board will have the final approval for all raises. Director Falgout stated that the midpoint is used as an incentive for new employees without experience to realize that they could be at their midpoint in 5 years. Also for new employees with experience, we have the opportunity to hire them up to the midpoint range. The board then had a roll call vote which resulted in 5 yeas by Gisclair, Vizier, Griffin, Melancon, and Guidry; 2 absent by Collins and Bruce; and 2 nays by Cheramie and Lafont.

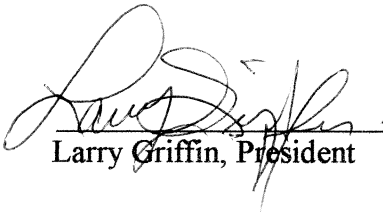
Chairman Melancon presented for the board's consideration approving the 2008 Budget. He stated that a few items from the preliminary budget have been removed such as the tasers and a few trucks. Upon motion by Jimmy Lafont to approve the 2008 Budget which was then seconded by John Melancon, the floor was open for discussion. Director Falgout stated that this is the largest budget that the Port has ever considered which totals \$62,345,391. This budget includes the potential borrowing of \$4 million to fulfill

the huge amount of capital projects and \$2.7 million of contingency funds. Commissioner Melancon thanked the board for their input in the budget process. The board then voted which resulted in all yeas.

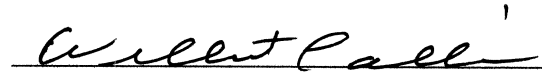
President Griffin opened the floor for any other business. Mr. Ronald Callais with the South Lafourche Levee District addressed the board. He reported that they recently accepted the low bid of \$5.4 million to raise the levees 4 feet which the levees were originally built for \$800,000. He reported that the bid for the lock installation came in at \$18.5 million with the total project costing \$26 million. The original budget prior to the hurricanes was \$6 million. The contractor is scheduled to move on site in 60 days and it will take approximately 8-9 months to build. Mr. Callais reported that they received \$18 million from the State but that was to finish the locks and realign the roadway to remove the curve. We may just have enough for the locks but not sure about the roadway. There was further discussion regarding vessel traffic during construction and water levels in the lock system.

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

ATTEST:



Larry Griffin, President



Wilbert Collins, Secretary