

AGENDA
April 11, 2007 @ 10:30 AM

- I. Call to Order
- II. Pledge of Allegiance
- III. Roll Call
- IV. Consider March 14, 2007 Regular Meeting Minutes for approval
- V. Executive Director'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**
 - D. Highway Improvements Update**
- VI. Committee Reports
 - A. Executive Committee**
 - 1) Consider approving the proposal from Expert Riser for 100 additional ft near Site 617
 - 2) Consider approving the proposal from Gulf Offshore Logistics for 100 additional ft. near Site 618
 - 3) Consider approving the revised subleasing provisions in lease contracts
 - 4) Consider approving the Landlord Disclaimer Agreement with Trussco
 - 5) Consider requesting opinion from the Attorney General for the beach issues
 - B. Permits & Waterways Committee**
 - 1) Consider seeking judicial determination that abandoned vessels are in violation of LA R.S. 34:843
 - 2) Permits:
 - a. Maritech Resources, Inc. (2)
 - b. Chevron Pipe Line Company
 - c. Samson Contour Energy E&P LLC
 - d. Texaco Pipelines LLC
 - C. Construction & Development Committee**
 - 1) Consider approving the Change Order No. 1 from Weeks Marine for the Northern Expansion Dredging
 - 2) Consider approving the DOTD Resolution accepting the work for project for the Northern Expansion Dredging project
 - 3) Consider approving the DOTD Resolution for Compliance with the Public Bid Law for Northern Expansion Roads & Utility project
 - 4) Consider approving the Substantial Completion Certificate from Shavers Whittle for the Northern Expansion Bulkhead Project #2
 - 5) Consider approving the Change Order from Stranco, Inc. for the Wave Protection project
 - 6) Consider approving the Substantial Completion from Stranco, Inc. for the Wave Protection project
 - D. Finance Committee**
 - 1) Consider payment of invoices and recognize expenditures over \$10,000
 - 2) Review 1st Quarter 2007 Balance Sheet
 - 3) Consider approving the out of state travel requests
- VII. Any other business
- VIII. Public Comment
- IX. Adjournment

Attachment

a) 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 17th JDC-Parish of Lafourche*" may be discussed in an executive session.

OFFICIAL PROCEEDINGS OF THE GREATER LAFOURCHE PORT COMMISSION
April 11, 2007

The Board of Commissioners of the Greater Lafourche Port Commission met in regular session on Wednesday, April 11, 2007 at 10:30AM.

President Griffin called the meeting to order and Secretary Collins called 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 Wilbert Collins, the board unanimously approved the March 14, 2007 Regular Meeting Minutes.

Executive Director's Report

Northern Expansion Update – Engineer Joe Picciola reported that Slip B, Northern Expansion Dredging is complete. The substantial completion has been recorded and it is in the lien period. They are now surveying to get the final elevations on the spoil areas to complete the as built drawings.

Engineer Joe Picciola reported that there was a preconstruction meeting last week for Slip B, Northern Expansion Road & Utilities. Phylway has mobilized on site bringing in the waterline material which they will install first. Once this is installed they will begin grading and shaping the road bed. Director Falgout questioned the amount of base material to be hauled in, which Mr. Picciola stated that they plan to use all the existing base material then will bring in sand on an as need basis. The plan is to have 12" of sand over the whole site. Mr. Breaux stated that there is approximately 8,000 yards of material at the end of Slip B which can be used. Commissioner Vizier questioned where this project will end, which Mr. Picciola replied that it will be a limestone road from N.J. Theriot Road to the access road. Director Falgout stated that it will be limestone for at least a year until it settles then it will be asphalt.

Engineer Neil Angelette reported that the substantial completion is on the agenda for approval for Slip B, West Bulkhead, Project #2. He stated that Shavers-Whittle has minor punch list items to complete which they will be doing this week. DOTD has completed their final inspection. Commissioner Cheramie questioned if they are ahead of schedule, which Director Falgout stated that it appears they may have some liquidated damages. The problem with the lightweight aggregate delayed the project along with some weather days. Director Falgout stated that Express Weld is occupying their facility and questioned if the others are waiting on the completion of the road to operate. Mr. Breaux stated that Southern Tank Specialist and Express Weld are operating. The others it will be difficult to access by road but they may want to moor vessels. After the road is complete, it will trigger all the remaining leases on that area which will result in over \$175,000 a month of rentals.

Engineer John Plaisance reported that he is still waiting on the geotechnical report for Slip B, West Bulkhead, Project #3. Once this is received he will finish the plans and specs which will be sent to DOTD for approval. Hopefully by next month's meeting we will be able to advertise.

Airport Update/Project Status – Mr. Breaux reported that the electrical vault has been installed for the Electrical and Lighting project. The contractor Aubrey Silvey is running behind schedule but should be complete by the end of April. The generator has been received which is funded by DOTD. We are working with Aubrey Silvey for a quote for installation. Barriere has completed the base course for the Runway Strengthening project. They have done test sections for the wearing course which may start tomorrow. The remaining portion is the striping and shoulder work. Tree clearing started on the south end of the runway for surveying for the approach lighting system. He reported on future sites at the Airport. He stated that proposals for the FBO site which is the existing building and hangar will be received on

April 20th. The other interested companies are Orgeron Aviation and Aircraft Storage for hangar buildings which we are working with cost and access. He stated that American Air has 5 acres and is looking at doing the tarmac themselves. Overall we are following our master plan. Commissioner Cheramie questioned how many proposals have been received for the FBO, which Mr. Chiasson replied that we have received 8 requests for applications. Engineer Michael Hixson stated that he is 98% complete on the design for the Parallel Taxiway Prep Site and Safety Area. He reported that there is a slight reduction in funds by the FAA of \$700,000. Therefore, he is creating several bid addendums to accommodate that level of funding. The plan for this year is to do the site prep for the taxiway on the north end to the existing taxiway and then do the south end later. Mr. Breaux stated that the funding has gone from \$3.5 million to \$3.2 million. Mr. Hixson stated that he anticipates advertising next week and having the FAA grants application in by May 18th. Director Falgout introduced Jason Duet as the new Airport Manager. He has a degree in airport management from LA Tech and we are happy to have him on board. Mr. Duet addressed the board. He stated that he grew up in Cut Off and graduated from South Lafourche. He did his internship at the New Orleans Airport with a position in Operations up until this position. He stated that there is potential for this Airport and looks forward to being apart of it.

FEMA Update – Mr. Chiasson reported that he expects plans next week to review for the Debris Fence Repair project. There is a meeting scheduled this afternoon with the tenant, engineer, and subcontractor for the Front Marina Bulkhead to discuss the plans to move forward. Mr. Breaux reported that the dragline and excavator has been working on site this week. Mr. Chiasson stated that the Port has purchased 6 FEMA travel trailers and 2 mobile homes to be used at different sites which will be discussed later. Director Falgout stated that it was an exceptional deal at \$2,500 for the travel trailers and \$3,000 for the mobile homes which are furnished.

Highway Improvements Update – Director Falgout reported that the LA Groundbreaking last week was a big success in building support for the upcoming legislative session. He commended Mr. Boulet in getting that mission accomplished. Mr. Henri Boulet with the LA 1 Coalition stated that for the sake of moving the project forward to secure funds for Phase 2 from Leeville to Golden Meadow, he feels that one of the important guests that attended was General Rick Capka the administrator of the Federal Highway Administration. He had to drive to the event and experience the vulnerability of LA 1. We will follow up with him for support in Washington for increased federal funding for Phase 2. DOTD is facing a \$14 billion backlog for road work but if we can get federal commitment and a state match of 20% it is the way to go. There was great press for the event and he anticipates more media coverage will follow this summer during the tourist season. He thanked the Port Commission for allowing the use of the Operations Building and thanked the Port Staff for their help in putting on the event. The current activities taking place for Phase 2 is establishing the right of ways from Leeville to Golden Meadow. DOTD has the agreements to move forward with determining the final line and grade that is required before the right of ways are determined. This paperwork should be complete in 3 months and the work will take 12-15 months to complete. We do have a state capital outlay request and a federal appropriation request in for right of way acquisition funds. We also have a request in for \$5 million for pipeline removal and relocation.

The Louisiana CPRA is going to release their final version of the state's long term coastal restoration and comprehensive levee protection plan tomorrow. There are still details not released in particular the maps for the level of protection for communities. We have been working with the South Lafourche Levee District for a higher level of protection. This community has come forward to all the hearings which made it probably the most talked about public input point that the state received on the entire plan. The importance of this corridor to the states economy deserves the highest level of protection.

LRA will unveil a regional plan which will be worked on in Washington to get funded. LA 1 Coalition is monitoring this as the state sets priorities and codes making sure that no language is added that would stifle development in wetlands.

Finally, he stated that Port Director Ted Falgout was commended for his efforts in bringing about revenue sharing at an event in Baton Rouge which was hosted by the American Wetlands "Toast for the

Coast". Senator Landrieu complimented Mr. Falgout for his many years of work and the efforts of this Port Commission for getting us where we are today. She thanked the Port Commission for taking a big role in helping to save our coast. Director Falgout stated that without the LA 1 Coalition pushing for the elevated highway project, we would be no where near getting the right of ways and pipeline locations for Phase 2. This is another example of the significance of having this local interest driving this project. He thanked Mr. Boulet for his efforts. President Griffin also congratulated Mr. Boulet for a job well done for getting all the dignitaries and General Capka down in Fourchon for the groundbreaking ceremony.

Committee Reports

Executive Committee - Chairman Griffin reported that the committee met on April 9, 2007 at the Administrative Building in Galliano. Present were Larry Griffin, Jimmy Lafont, John Melancon, and Wilbert Collins. The Commission then discussed items that were discussed at the committee meeting.

Upon motion by Jimmy Lafont and second by Wilbert Collins, the board unanimously approved the proposal from Expert Riser for 100 additional ft. near Site 617.

Chairman Griffin presented for board's approval the proposal from Gulf Offshore Logistics for 100 additional ft. near Site 618. Director Falgout stated that this will shift GOL up against the Expert Riser's additional 100' that will not be bulkheaded because GOL plans on doing their own bulkhead. This will also move the next DOTD funded project north of them. Commissioner Melancon questioned if GOL does their own bulkhead if the plans and specs will meet our requirements. Director Falgout stated that they will submit their specs and plans for our review before construction. He stated that there is no requirement in the lease to meet any certain specs but they will need to meet the need for their operations. Commissioner Gisclair questioned if Port Priority funding is a factor, which Director Falgout stated that they prefer to do bulkhead the site on their own and we will use Port Priority funds to do Site 617 and will skip over GOL's site and begin north from there. Mr. Chiasson stated that the reason why GOL is requesting to build their own bulkhead is because of the time it takes us and steps we have to take to do construction work. They want to have it complete in less than a year. Commissioner Gisclair questioned if everyone decides to do their own bulkhead the Port would loose money, but Director Falgout replied that they can't beat the deal we have with DOTD assistance but in this case we have enough room for them to build their bulkhead and still do our bulkhead toward the north. Commissioner Ervin Bruce made the motion to approve GOL's proposal which was second by Wilbert Collins, and the floor was open for discussion.

Commissioner Vizier questioned who will watch over GOL to make sure they use the same design and pounds per square foot as the Port. Director Falgout stated that we don't get to that level of inspection for anyone building their own bulkhead. They are responsible for meeting their needs and if the engineer has a design flaw or the contractor messes up it will be the full responsibility of the lessee. If the lessee chooses to walk away from the project, the Port would gain the constructed bulkhead as an asset or the Port could require the lessee to remove construction and return the property to its previous state. The exposure is not there on us to oversee and observe the construction of the bulkhead. The board further discussed past bulkheads constructed by lessees and the Port's position. Commissioner Cheramie stated that if they build their own bulkhead it should be uniform to our bulkhead design. There are a few lessees that put rocks to stabilize their shoreline which causes problems. Director Falgout stated that GOL stated that they want to put in the same class of bulkhead as we are constructing. Commissioner Melancon stated that many other lessees constructed their own bulkheads and he doesn't see a major problem with it. Commissioner Vizier stated that the Port staff should get a copy of their design, which Mr. Autin stated that they are required to provide the bulkhead design to the Port to review and comment. The board then voted which resulted in all yeas.

Upon motion by John Melancon and second Jimmy Guidry, the board unanimously approved the revised subleasing provisions to include in lease contracts. Mr. Autin stated that the sublessee will still have to stay consistent with the contract and the lessee will still be required to get Port approval to sublease. Motion was made to remove section of lease requiring lessees to state what portion of their charged rental would be attributed to lessee-owned improvements and leasehold rights as opposed to lessee-owned

improvements and raw land and further prohibiting lessees from making a profit on lessee-owned improvements and raw land.

Upon motion by Ervin Bruce and second by Perry Gisclair, the board unanimously approved the Landlord Disclaimer Agreement with Trussco.

Chairman Griffin presented for the board's approval to request an opinion from the Attorney General for the beach issues. Director Falgout presented the plat of the parish right of way with the landowners. He stated that Caillouet Land Corporation has recently driven piles along both sides of the right of way to barrier off their property. It is questionable of property ownership and if they have the right to go into the gulf and block off the beach when there is clearly a law that the public owns up to the winter high water mark. Only the courts or the advise of the attorney general should identify if this is proper or not and should be solicited because it does impact access to Fourchon Beach. Our interest is the cement bags within the area blocked off. The committee suggested we include on the agenda this matter and ask the attorney general to give direction on this matter. The attorney general could give us the answers to if the pilings are properly placed, who owns the shoreline, and where is the shoreline. The request will also include questions surrounding the bed of Pass Fourchon. Director Falgout spoke to the Parish President this morning and she informed him that they are sending a letter to the state land office asking if this exceeds the authority under the existing coastal use permit and if it is state land or not. Commissioner Jimmy Lafont made a motion to request an opinion of the attorney general which was second by Donald Vizier, and the floor was opened for discussion.

Commissioner Lafont questioned how long it will take for the attorney general to respond, which Director Falgout stated that it may take a while since it is a very complex issue. Commissioner Lafont stated that the Port fixed the road and moved the cement bags for the public to have access to the beach. Director Falgout stated that the bags were obstructing the parish right of way and were removed. Commissioner Lafont stated that since we put the cement bags there which protected the landowner's interest it seems that we may want to move forward through the courts rather than wait a long time for an attorney general's opinion. Commissioner Vizier stated that the attorney general should take the time to review this matter thoroughly because it affects a lot of people. He questioned if the Port had a right of way to install the cement bags. Director Falgout went through a brief history of the cement bag placement and the right of way issues with the Caillouets. He stated that in 1985 Pass Fourchon came out toward the Gulf of Mexico where it was dammed off and the road was used by the public and Chevron to access their facility. Hurricane Juan eroded the shoreline and moved it inland over 100' and cut through the parish road and Pass Fourchon opened up into the Gulf of Mexico. This Commission's greatest concern was the opening of Pass Fourchon and the impact to Belle Pass. The Port came up with the concept to place barges across Pass Fourchon to block it off. The Port dredged the bed of Belle Pass to fill the bed of Pass Fourchon up and build all the way to the gulf and built a retainer levee along the gulf to fill in that entire section. The retainer levee that was built to hold the material was the 5,000 feet of cement bags along the coast which stopped the gulf from eroding the dredged material. At a later date, we came back and did 1,800 feet of protective mat in front of the existing bags. Hurricane Andrew in 1992 knocked the top bags off and with FEMA assistance they were replaced and we have maintained that system ever since under the position that it was built on state land. We did not obtain a right of way. The state even gave money to help build the project and didn't request a right of way.

Commissioner Vizier questioned if back then it wasn't recognized as Caillouet property why it is now. Director Falgout stated that when the Caillouets first placed pilings, the Port was dealing with them on several other fronts at that time and it wasn't the biggest issue with them. We have never acknowledged or accepted their claim of ownership. When we went to do the road swap agreement after Hurricane Lili, we had a project to restore those bags that are still damaged. The Caillouets agreed to give the Port a right of way to fix the cement bags but they wanted us to assert that they own the land. The Caillouets then threatened to sue the Port if the cement bags were repaired without a right of way. We were willing to get the right of way from them without showing ownership but when we received the right

of way and swap agreement there were other things in the document that we didn't approve of therefore didn't approve the agreement. This brings us to where we are today.

Councilman Brent Callais addressed the board. He stated that last night the parish council also talked about getting an attorney general opinion but they said it will be a 6-7 month wait. The district attorney's opinion six months ago was for the Parish, Port Commission, and Caillouets to work together and settle the issue which never happened. The Parish is ready to move forward with a law suit to settle this in court and have a judge rule on the bed of Pass Fourchon and the right of way. There was no official parish action taken but it was discussed and the Port is welcomed to a joint venture to get this problem resolved. Mr. Autin stated that the Parish will have to define the scope of the lawsuit before the Port Commission will decide whether it wants to take part in this effort. Councilman Callais stated that he is planning to have meetings with Mr. Autin and Director Falgout to discuss this further. Mr. Autin stated that if we approve the attorney general opinion it should not affect any steps the Port would take later with the Parish. The board then voted which resulted in all yeas.

Permits & Waterways Committee - Chairman Chuckie Cheramie reported that the committee met on April 9, 2007 at the Administration Building in Galliano. Present were Chuckie Cheramie, Jimmy Lafont, Perry Gisclair, and Larry Griffin. The Commission then discussed items that were discussed at the committee meeting.

Upon motion by Chuckie Cheramie and second by Jimmy Lafont, the board unanimously approved to seek judicial determination that the abandoned vessels are in violation of LA R.S. 34:843. The vessels sited include the F/V Miss Gwen owner George Farmer, F/V Stardipper owner Walter Folse, the lift barge owner P.J. St. Pierre, and the F/V Wahoo owner Douglas Plaisance.

Chairman Cheramie presented the permits by Maritech Resources, Inc., Chevron Pipe Line Company, Samson Contour Energy E&P LLC, and Texaco Pipelines LLC. There was no object to these permits.

Construction & Development Committee - Chairman Bruce reported that the committee met on April 9, 2007 at the Administration Building in Galliano. Present were Ervin Bruce, Donald Vizier, John Melancon, and Larry Griffin. The Commission then discussed items that were discussed at the committee meeting.

Upon motion by Ervin Bruce and second by Jimmy Lafont, the board unanimously approved Change Order No. 1 from Weeks Marine, Inc. for the Northern Expansion Dredging project which is an increase of \$189,117.50.

Upon motion by John Melancon and second by Wilbert Collins, the board unanimously approved the DOTD resolution accepting the work for the Northern Expansion Dredging project.

Upon motion by Wilbert Collins and second by Jimmy Guidry, the board unanimously approved the DOTD resolution for Compliance with the Public Bid Laws for Northern Expansion Roads & Utility project.

Upon motion by Perry Gisclair and second by Chuckie Cheramie, the board unanimously approved the Substantial Completion Certificate from Shavers Whittle, Inc. for the Northern Expansion Bulkhead Project #2.

Upon motion by Ervin Bruce and second by Wilbert Collins, the board unanimously approved Change Order No. 2 from Stranco, Inc. for the Wave Protection project which is a decrease of \$107,224.47.

Upon motion by Ervin Bruce and second by John Melancon, the board unanimously approved the Substantial Completion Certificate from Stranco, Inc. for the Wave Protection project.

Finance Committee - Chairman John Melancon reported that the committee met on April 9, 2007 at the Administration Building in Galliano. Present were Jimmy Guidry, Wilbert Collins, John Melancon, and Larry Griffin. The Commission then discussed items that were discussed at the committee meeting.

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

Upon motion by John Melancon and second by Jimmy Guidry, the board unanimously approved the 1st Quarter 2007 balance sheets.

Upon motion by John Melancon and second by Chuckie Cheramie, the board unanimously approved the out of state travel requests from Paula Schouest attending the AAPA Public Seminar in Florida on June 12th and Wilbert Collins and Ted Falgout attending the Gulf Ports Association Conference in Texas on May 30th.

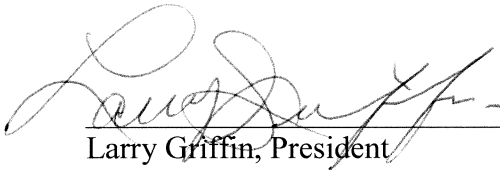
President Griffin opened the floor for any other business. Commissioner Cheramie stated that he recently visited Venice and noticed that their house trailers are not above elevation and questioned why. He stated that the mobile homes installed in Fourchon have to be above elevation. Director Falgout stated that we can inquire with the parish administration to find out their development plan.

President Griffin opened the floor for public comment. Mr. Joe James with Expert Riser thanked the board for their consideration for the additional property. He also recognized the harbor police department due to a recent incident that happened on their property. He stated that they were very professional and thanked them.

Mr. Jon Callais updated the board on the Bayou Closures in Leeville. He stated that it has been delayed till the end of the month and will keep them informed. He publicly thanked Vision Communications, Steven Broussard, and Mark Dufrene for improving the sound system in the conference room.

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

ATTEST:



Larry Griffin, President



Wilbert Collins, Secretary