

AGENDA
June 13, 2007 @ 10:30 AM

- I. Call to Order
- II. Pledge of Allegiance
- III. Roll Call
- IV. Consider May 9, 2007 Regular Meeting Minutes for approval
- V. Consider May 23, 2007 Special Meeting Minutes for approval
- VI. Executive Director's Report
 - A. Northern Expansion Update**
 - 1) Construction Status:
 - a. Slip B, Northern Expansion Road & Utilities – Joe Picciola
 - b. Slip B, West Bulkhead, Project #2 – Larry Picciola
 - c. Mooring Dolphins – Larry Picciola
 - d. Slip B, West Bulkhead, Project #3 – John Plaisance
 - B. Airport Update/Project Status**
 - C. FEMA Update**
 - D. Highway Improvements Update**
- VII. Committee Reports
 - A. Executive Committee**
 - 1) Consider approving the request from Latelco to sublease to Sprint-Nextel Site 503-1988
 - 2) Consider approving the RFR request from Orgeron Investments, LLC for a site at the Airport
 - 3) Consider advertising for surplus equipment
 - 4) Consider approving the resolution to remove debris pile in the vessel graveyard
 - 5) Consider setting deadline for FBO proposal
 - B. Permits & Waterways Committee**
 - 1) Update on sunken vessel/debris removal
 - 2) Consider the dismissal of lawsuits against George Farmer and Walter Folse
 - 3) Permits:
 - a. Texas Pipeline, LLC
 - b. Samson Contour Energy E&P, LLC
 - c. Plains Pipeline, LP
 - C. Construction & Development Committee**
 - 1) Consider approving the clear lien certificate from Shavers Whittle for the Northern Expansion Bulkhead
 - 2) Consider approving the clear lien certificate from Weeks Marine for Northern Expansion Dredging project
 - 3) Consider approving the partial substantial completion from Phylway Construction for Northern Expansion Road and Utilities project
 - 4) Consider approving the low bid for the Debris Fence Repair project
 - 5) Consider approving the partial substantial completion certificate by Greater Gulf Construction Services for the FEMA Repair of Wharves
 - D. Finance Committee**
 - 1) Consider payment of invoices and recognize expenditures over \$10,000
 - 2) Consider approving out of state travel request
 - 3) Consider approving 2006 Financial Statement Audit Report
- VIII. Any other business
- IX. Public Comment
- x. 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

June 13, 2007

The Board of Commissioners of the Greater Lafourche Port Commission met in regular session on Wednesday, June 13, 2007 at 10:30AM.

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

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

ABSENT: Jimmy Lafont

Upon motion by Donald Vizier and second by Wilbert Collins, the board unanimously approved the May 9, 2007 Regular Meeting Minutes.

Upon motion by John Melancon and second by Ervin Bruce the board unanimously approved the May 23, 2007 Special Meeting Minutes.

Executive Director's Report

Northern Expansion Construction Status Update – Engineer Joe Picciola reported that Phylway is on site nearing completion for Slip B, Northern Expansion Road & Utilities project. The road is complete from Dock Access Road 4200 ft to Cal Dive property. The remaining portion of the road is expected to be complete by the end of the week. A partial substantial completion certificate is on the agenda to allow InterMoor and Cal Dive to begin paying their lease rentals. Mr. Breaux stated that InterMoor has their culverts in place and ready to access their property. Engineer Larry Picciola reported that the Slip B, West Bulkhead, Project #2 is complete. The clear lien certificate, As-Built drawings, and Operations Maintenance manual have been received. Engineer Larry Picciola reported that bids for the Mooring Dolphins will be opened on June 19th. He stated that 5 companies have taken plans. Director Falgout stated that this will be the same design of the dolphins in Flotation Canal. He questioned if there was a need to create a larger space near the turn of Slip B. Mr. Picciola stated that the piles will be on the 600' line therefore there is no need for a larger space. He stated that plans are to install 3 dolphins leave a gap and continue with 3 more dolphins. This will allow extra space between the dolphins and the gaps can be filled with dolphins in the future if necessary. Director Falgout stated that all the existing 9 dolphins are under a First Right of Refusal by HOS Port, LLC. Commissioner Vizier questioned if inspections have been done on the existing dolphins, which Mr. Breaux stated that we have done inspections on the dolphins and they are holding up well. The new plans have an additional bumper tire on the dolphins.

Engineer John Plaisance reported that he has completed the preliminary plans for Slip B, West Bulkhead, Project #3. The plans have been sent to DOTD for their review and comments. Once we receive DOTD's response the necessary changes will be done and it will be ready to advertise. Director Falgout questioned the sheet length submitted, which Mr. Plaisance stated that the soil report indicated a 70' sheet length. He stated that GOL's soil report indicated a length less than that and once we receive their report we can analyze the results and proceed with an adequate sheet length. Director Falgout stated that if shorter sheets are used it would be a cost savings. Commissioner Gisclair requested a status update on GOL's site development. Director Falgout stated that it is not a requirement in their lease but we can get updates from their engineer which is Picciola & Associates.

Airport Update/Project Status – Airport Manager, Jason Duet stated that he is waiting on three of the five regulators for the electrical vault. The other 2 regulators that control the lights will be hooked up on Monday by Entergy. Barriere is complete with the Strengthening Project. There is one punch list item left that is scheduled to be done next week which will involve a short runway closure. We are still

in negotiations with Phylway for the Parallel Taxiway Site Prep and Safety Area. The LPA Group was able to lower the base bid from \$1.9 million to \$1.4 million. We are waiting on DOTD to get a commitment on FAA funding as well as DOTD commitments. Once we receive this we can move on awarding the bid. Director Falgout questioned the items that were negotiated to lower the cost by \$500,000, which Mr. Duet stated that the main item negotiated was the offsite borrow excavation. The original bid was \$792,000 and since we have on site material it was lowered to \$410,000. The other items were minor changes. Director Falgout questioned if the material is suitable, which Mr. Breaux stated that the material is suitable because it will be placed on the north end of the approach. We will purchase material when we do the base of the taxiway. We still need to verify the exact quantity of the material on site.

FEMA Update – Mr. Chiasson reported that bids were received on May 29th for the Debris Fence Repair project. The low bid was Picciola Construction which is on the agenda for approval. He reported that the contract with Greater Gulf Construction has been terminated for the Wharf Repair project. We are in the process of receiving quotes to install the remaining piles needed at Nerby Collins Marina. He stated that the contractor is on site working on the Front Marina Bulkhead project. They have installed 80' of the bulkhead along the marina, 140' along Flotation Canal, and 5 of the 5 pile clusters. The tie back piles have also been driven on Flotation Canal side. The contractor stated that tie rods are being picked up today and should be installed by the end of the week. Once this is installed the lightweight aggregate will be placed. Director Falgout questioned if they will install the lightweight aggregate by barge, which the engineer was unsure. Mr. Plaisance stated that if they try to do it by land it would have to be pushed in because of the soil conditions. Director Falgout questioned if the debris will be removed before the aggregate is placed, which Engineer Plaisance stated that some portions of the old bulkhead will remain. Commissioner Melancon questioned the amount of work the contractor had left. Mr. Plaisance stated that they are half way done of the base bid. We also had an additive alternate in the base bid to complete the bulkhead toward the concrete plant. They are approximately 40% complete and if we remove the additive alternate they would be about 50% complete. Commissioner Gisclair questioned if the additive alternate could be removed from the contract if there was someone interested in completing the project faster. Mr. Breaux stated that we would have to look at the contract time frame. Mr. Autin stated that he would like to review the contract first but it may be a case similar to the Wharf Repair project. Director Falgout stated that we can place this on the next agenda and also inquire with other contractors if they are available to move this project along. Commissioner Griffin questioned the total footage before the added alternate, which Mr. Plaisance stated that it was approximately 470' of bulkhead. The added alternate was for 200 additional feet. Commissioner Vizier questioned the liquidated damages, which Mr. Plaisance stated that the contractor will be penalized for the whole project unless the board decides to remove the additive bid. The added alternate did not have additional days in the contract.

Highway Improvements Update – Director Falgout stated that Mr. Boulet is in Baton Rouge today lobbying for an amendment by Senator Dupre to the capital outlay bill of \$2.5 million that would fund the right of way acquisitions for Phase II of the project. He has partnered with DOTD and the Louisiana Department of Economic Development to have the importance of this allocation conveyed to the Governor's Administration, stressing that this timely investment is a sign to the Gulf of Mexico's oil and gas industry that we are strategically moving forward on securing a dependable highway to service the industry's port of choice. Overall, this capital outlay bill will include close to a quarter of a billion dollars for Terrebonne and Lafourche Parish for floodgates, locks construction, elevated LA 1 highway, pump station repairs, and a number of other regional projects.

Mr. Boulet, Mrs. Schouest, and Mr. Breaux put together a nice display about LA 1 and Port Fourchon and competed in Baton Rouge at the Entergy's Team City Economic Development Conference. The LA 1 Coalition along with the Port and Shell Oil Company hosted Congressional Quarterly Magazine's "Summit on Energy Challenges in Your Community" in Port Fourchon on June 4th. The report that will be generated from this summit will be distributed to members of the US

Congress on July 9th and will very clearly convey that there is an unmet, federal responsibility to improve LA 1 as critical, national energy infrastructure.

Mr. Boulet continues to monitor developments in the state's evolving plans to role out OCS Royalty Sharing Funds. While substantial funding allocations are not expected until 2016, Mr. Boulet is focusing on the state's annual plans of 2008, 2009, and 2010, utilizing state generated funds in the approximate amount of \$200 million annually. The Coalition has continued to update state committees making sure that they understand that the LA 1 highway project is eligible for royalty funds from the constitutional amendment passed last year that states that infrastructure projects that are directly impacted by coastal land loss are eligible. LA 1 sits on equal footing with coastal restoration and levee protection in competing with the funding that will come down from revenue sharing.

Director Falgout stated that he received the coastal protection planning and restoration magazine "Watermarks" which portrays Leeville on the front cover and the back page there is an article of our highway construction project. He stated that all the pictures in the magazine are from Lafourche Parish and covers Port Fourchon as well.

Committee Reports

Executive Committee - Chairman Griffin reported that the committee met on May 23, 2007 at the Operations Building in Fourchon. Present were Larry Griffin, Jimmy Lafont, John Melancon and Wilbert Collins. The Commission also met on June 11, 2007 at the Administration Building in Galliano. Jimmy Lafont 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 request from Lafourche Telephone Company to sublease a portion of their Site 503-1988 to Sprint-Nextel.

Upon motion by Wilbert Collins and second by Jimmy Guidry, the board unanimously approved the Right of First Refusal by Orgeron Investments, LLC for site SLA107 at the Airport. The site is intended to accommodate a hangar facility.

Upon motion by Chuckie Cheramie and second by John Melancon, the board unanimously approved advertising for the sale of surplus equipment.

Chairman Griffin presented for the board's consideration the resolution to remove debris pile in the vessel graveyard. Director Falgout stated that DEQ indicated that if we remove the pile they will dismiss the compliance order concerning the graveyard. We have been trying to obtain a permit and have recently received approval from the Corps of Engineers and DNR that a permit is not required to remove this debris by waterway. We will get quotes to remove this debris by barge into dumpsters. Upon motion by Perry Gisclair to remove the debris pile which was second by Wilbert Collins, the floor was open for discussion. Commissioner Guidry stated that we will need to take into consideration the bridge closures when getting quotes. The board then voted which resulted in all yeas.

Chairman Griffin presented for the board's consideration setting a deadline for the FBO proposal. Director Falgout stated that Mr. Autin has been negotiating with VIH Helicopters on the FBO comments and concerns from DOTD and FAA. He has submitted a draft contract to VIH and has not heard back from them. He recommends setting a deadline of 2 weeks to respond or withdraw their proposal. Upon motion by Wilbert Collins to set a 2 week deadline which was second by Ervin Bruce, the floor was open for discussion. Commissioner Collins questioned if there is another company interested if VIH doesn't respond, which Director Falgout stated that we had 4 proposals and we did meet with Evergreen Helicopters yesterday and they are interested and ready to negotiate with us and they understand our concerns and changes we want in the proposal. The board then voted which resulted in all yeas.

Permits & Waterways Committee - Chairman Chuckie Cheramie reported that the committee met on May 23, 2007 at the Operations Building in Fourchon. Present were Chuckie Cheramie, Jimmy Lafont, Perry Gisclair, and Larry Griffin. The Commission also met on June 11, 2007 at the

Administration Building in Galliano. Jimmy Lafont was absent. The Commission then discussed items that were discussed at the committee meetings.

Sergeant Dufrene stated that all the debris and vessels have been removed within the floodgates. They also removed the shrimp shed south of the floodgates and dredged the bottom for debris. Resolve Marine finished Monday in Belle Pass removing debris. There was a huge object approximately 200' from the jetties and on the outskirts of the channel that was removed. It was sticking up out from the mud line approximately 17' with 3 inch thick metal. This object was cut at the mud line and removed with the crane. There is 25' of water where this object was found. NOAA, USCG, and the Corps of Engineers played roles in the removal of the debris. Commissioner Gisclair questioned the sweeping of the area outside the channel, which Director Falgout stated that we do not dredge there and we contacted the Coast Guard to investigate this area which they were the lead agency on the removal. The object was not identified and could have been there prior to the 2005 hurricanes.

Upon motion by Chuckie Cheramie and second by Donald Vizier, the board unanimously dismissed the lawsuits against George Farmer and Walter Folse without prejudice regarding violations of state act regarding abandoned vessels. The vessels have been removed. Commissioner Vizier questioned the situation with Mr. St. Pierre, which Mr. Autin stated that the lawsuit has been filed and we are still moving forward with this claim.

Chairman Cheramie presented for the board the permits by Texas Pipeline, LLC; Samson Contour Energy E&P, LLC; and Plains Pipeline, LP.

Construction & Development Committee - Chairman Bruce reported that the committee met on May 23, 2007 at the Operations Building in Fourchon. Present were Donald Vizier, John Melancon, and Larry Griffin. Ervin Bruce was absent. The Commission also met on June 11, 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 Ervin Bruce and second by Chuckie Cheramie, the board unanimously approved the clear lien certificate from Shavers Whittle Construction for the Northern Expansion Bulkhead Project #2.

Upon motion by John Melancon and second by Jimmy Guidry, the board unanimously approved the clear lien certificate from Weeks Marine for the Northern Expansion Dredging project in Slip B.

Upon motion by Ervin Bruce and second by Wilbert Collins, the board unanimously approved the partial substantial completion from Phylway Construction for Northern Expansion Road and Utilities project from station 100+00 to 142+00.

Upon motion by Perry Gisclair and second by Jimmy Guidry, the board unanimously awarded the low bid for the Debris Fence Repair project to Picciola Construction in the amount of \$164,307.00.

Chairman Bruce presented for the board's consideration the partial substantial completion certificate by Greater Gulf Construction Services for the FEMA Repair of Wharves. Mr. Autin reported that this would be for the original scope of work and does not cover Change Order No. 2. The agreement with Greater Gulf has been terminated with all work substantially complete as of May 23, 2007. Upon motion by Donald Vizier and second by Jimmy Guidry, the board voted to approve the partial substantial completion certificate. The vote resulted in 7 yeas, 1 nay by John Melancon, and 1 absent.

Finance Committee - Chairman John Melancon reported that the committee met on May 23, 2007 at the Operations Building in Fourchon. Present were Jimmy Guidry, John Melancon, Larry Griffin and Wilbert Collins. The Commission also met on June 11, 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 Wilbert Collins, the board unanimously approved the payment of May invoices and recognized expenditures over \$10,000. Commissioner Vizier questioned the invoice from Lafourche Parish Council of \$19,643.82, which Mr. Breaux replied that this is for relocating the road and levee at Clovelly Road. The agreement ends November 16, 2007.

Upon motion by John Melancon and second by Wilbert Collins, the board unanimously approved the out of state travel request by Davie Breaux to attend the AAPA Marine Terminal Management Program in Long Beach, CA on October 14, 2007. Commissioner Melancon stated that the travel request by Jon Callais, Troy Dufrene, and April Danos to inspect the USCG surveillance and command center on June 13th in Texas was approved by the Executive Committee on Monday.

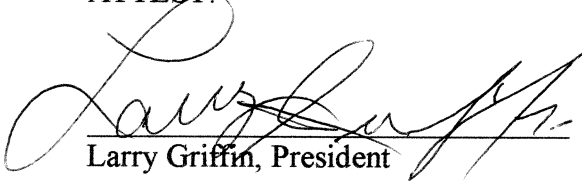
Chairman Melancon presented for the board's consideration the 2006 Financial Statement Audit Report. Mr. Mark Felger, CPA with Lanaux and Felger presented to the board the highlights of the financial statement. He stated that it resulted in an unqualified opinion and the financials are in a fair representation in accordance with general accepted accounting principles. Some financial highlights are: \$97.5 million of net assets which is a 11% increase from last year, \$12.8 million of annual operating revenues a 10% increase, \$15.4 million of cash a 22% increase, \$3.9 million of operating profits a 3% decrease, \$5.9 million of net income a 6% decrease, \$7 million of capital grants, and \$5.8 million of maintenance grants. The total revenues and capital additions by source are identified by 45% are self generated, 25% are State and Federal Capital Construction grants, 20% are State and Federal Disaster Relief grants, 7% of Ad Valorem taxes, and 3% other. Mr. Felger thanked the staff for its cooperation with the process. He stated that the overall direction of the Port is good and the financials are solid. Commissioner Melancon thanked Mr. Felger for the work he does for the Port. Upon motion by John Melancon and Chuckie Cheramie, the board unanimously approved the 2006 Financial Statement Audit report.

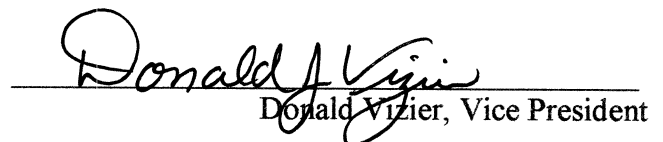
President Griffin opened the floor for any other business. He welcomed Katie Cheramie as our summer worker in the Administration Building. Commissioner Chuckie Cheramie stated that he and Jimmy Lafont met with Congressman Bobby Jindal about the Port and he assured us that he is still committed to the port's development. Commissioner Cheramie also requested that we add to next meeting's agenda to discuss limits for leases of waterfront property.

Director Falgout stated that the Parish Government has passed the Beachfront Development District. The Port Commission has to select a member that will represent us on the board. We will put this also on our next agenda to discuss and appoint a member. Director Falgout stated that he has had discussions with Cathy Penland with Wisner to have a temporary agreement to provide public vehicular access to the beach before the upcoming July 4th weekend. He stated that this would be a great accomplishment and hopefully the Beachfront Development District can further develop a plan for public access to the beach. Commissioner Gisclair recognized Mr. Douglas Cheramie has an appointed member of the Beachfront Development District.

Upon motion by Chuckie Cheramie and second by Jimmy Guidry, the board adjourned the regular meeting. President Griffin thanked the public for attending the meeting and showing interest in the Port.

ATTEST:


Larry Griffin, President


Donald Vizier, Vice President