

AGENDA
July 11, 2007 @ 10:30 AM

- I. Call to Order
- II. Pledge of Allegiance
- III. Roll Call
- IV. Consider June 13, 2007 Regular Meeting Minutes for approval
- V. Consider June 27, 2007 Special Meeting Minutes for approval
- VI. Executive Director's Report
 - A. Northern Expansion Update:**
 - 1) Slip B, Northern Expansion Road & Utilities – Joe Picciola
 - 2) Mooring Dolphins – Larry Picciola
 - 3) 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 South Lafourche Levee District
 - 2) Consider appointing a member to the South Lafourche Beachfront Development District
 - 3) Consider naming Executive Director Falgout accredited delegate for the 2007 AAPA Annual Convention
 - 4) Consider limiting waterfront property to be leased
 - 5) Consider ratification of temporary beach servitude
 - B. Permits & Waterways Committee**
 - 1) Permits:
 - a. Russell Gisclair, Jr.
 - b. BP Pipelines, Inc.
 - c. South Lafourche Levee District
 - d. Thaddeus Trosclair, Jr.
 - e. Carrizo Oil & Gas, Inc.
 - f. Swift Energy Operating, LLC
 - g. Chevron Pipe Line Company
 - h. Carrizo Oil & Gas, Inc.
 - C. Construction & Development Committee**
 - 1) Consider approving the DOTD Resolution Accepting the Northern Expansion Roads & Utilities project
 - 2) Consider approving Change Order No. 1 from Phylway for the Road & Utilities Project
 - 3) Consider approving the clear lien certificate from Stranco for Beach Wave Protection project
 - 4) Consider assessing liquidated damages from Stranco for the Front Marina Bulkhead
 - 5) Consider removing pile clusters at the floodgates in Golden Meadow
 - 6) Consider awarding low quote for piles at Nerby Collins Marina
 - D. Finance Committee**
 - 1) Consider payment of invoices and recognize expenditures over \$10,000
 - 2) Consider approving Financial Statements from January – June 2007
 - 3) Consider terminating Civil Service participation
- 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

July 11, 2007

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

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

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

ABSENT: Wilbert Collins

Upon motion by Donald Vizier and second by Ervin Bruce, the board unanimously approved the June 13, 2007 regular meeting minutes.

Upon motion by Donald Vizier and second by Jimmy Guidry, the board unanimously approved the June 27, 2007 special meeting minutes.

Executive Director's Report

Northern Expansion Update – Engineer Joe Picciola reported that the project is complete and currently in the lien period for Slip B, Northern Expansion Road & Utilities. There is a change order to adjust final quantities on the agenda for approval. The contractor hauled additional material on the site, but the continued maintenance of the road will need to be done by the Port due to the construction of the new lease sites. Engineer Larry Picciola reported that the contracts have been received from Low Land Construction for the Mooring Dolphin project. He stated that within the next few weeks a pre-construction meeting will be scheduled and the notice to proceed will be given. The project time schedule is for 120 days. Engineer John Plaisance reported that he has received comments from DOTD for Slip B, West Bulkhead, Project #3. He will work to address these issues within the next 2 weeks and re-send to DOTD for approval.

Airport Update/Project Status – Airport Manager, Jason Duet, stated that the lighting vault was hooked up last week and the runway lights and beacon are now working. The airport is now fully open 24 hours with night operations for all aircraft. The Port received the FAA grant application to fund \$2.3 million and DOTD would fund \$124,000 which would result in \$2.4 million in funding for the Parallel Taxiway Site Prep and Safety Area Improvements. LPA Group is still negotiating with the contractor and once these negotiations are through we will move forward in awarding the contract.

FEMA Update – Chett Chiasson reported that he received good news from the FEMA meeting yesterday. FEMA inspected the Flotation Canal area and agreed to write a project worksheet which will cover placing rip rap and mats along the northern bank of the canal to protect the mitigation areas. FEMA also agreed to consider dredging Pass Fourchon and placing sand material on the beach which is estimated at 200,000 cubic yards of material. Once the beach is replenished, FEMA will consider completing the wave protection project which will be placing mats on the beach. There is a notice from FEMA that the state public assistance cost share will be reimbursed back to us which totals \$600,000 from FEMA on all projects done to date. Commissioner Gisclair questioned if the mats that we purchased will be used for the Flotation Canal project. Director Falgout stated that those mats will be used on the permitted site and additional mats may be needed to complete the entire length of the canal. Commissioner Melancon thanked Mr. Chiasson for all his hard work on the FEMA projects. Mr. Chiasson stated that it was not just him and involved a number of employees which worked together as a team.

Director Falgout also stated that the mats will also prevent some siltation from occurring in Flotation Canal. Eventually we will have the entire area permitted at 600' width. The permit application for Slip C is currently being prepared and will include a 600' wide channel going all the way to the front marina. Once we obtain the permit for a 600' channel, we will need to dredge it to 600' which may take a few years to finish. Mr. Breaux stated that the dredged material from Slip C will be placed in Mitigation Site C. Director Falgout stated that the material from the 3 slips along Flotation Canal that the Chouest organization is constructing will also go into Mitigation Site C to fill the gap area.

Mr. Chiasson stated that the clear lien from Stranco is on the agenda for approval for the wave protection project. The contractor was on site Monday for the Front Marina Bulkhead project. They will install the tie rods this week. The contractor for the debris fence repairs will begin construction on Monday. The low quote by Grand Isle Shipyard is on the agenda for approval to install pilings for the wharf repair projects at the front marina and Nerby Collins marina.

Highway Improvements Update – Director Falgout reported that the LA 1 project fared well through the recent state legislative session. Legislation passed appropriating \$63 million for Phase 1A (Leeville to Fourchon). The LA 1 project received the largest highway appropriation state wide in the Governor's package of \$400 million from the budget surplus for highway investments. Legislation passed appropriating \$2.5 million in the Capital Outlay Program for Phase 2 Right of Way acquisition. Priority 2 will have \$500,000 and Priority 5 will have \$2 million. These are the high categories you want to be in. It will be used to acquire the right of ways for the section of Leeville north to Golden Meadow. The reason we are pushing hard to get that done because of the increased inshore oil and gas in the Leeville area. There is a great chance that if the actual highway right of way is not identified and acquired a well may be drilled or an access dug that would impact the pile design. This will enable the right of way to be established and allow DOTD to deal with permits afterwards.

DOTD is progressing on Phase 2 Right of Way Mapping & Line work contract. The contract is still set to be signed later this month with Wilbur Smith & Associates. The Coalition asked DOTD to expedite this contract so that the right of way can more quickly be identified. The Toll Plaza Phase 1D bid documents are scheduled to go out in October. This phase will include construction of the actual electronic Toll Plaza on the ramp in Leeville with a support facility in Golden Meadow on LA 3235. The bridge is scheduled to be open in April 2009. The existing bridge will be demolished after that and it's anticipated that by July 2009 the full contract will be complete. Commissioner Vizier questioned if the rip rap from the demolished bridge can be used for erosion protection along the bayou, which Director Falgout replied that he will inquire of the plans for disposal of the bridge.

The *Congressional Quarterly Magazine's* report on the "Summit on Energy Challenges in Your Community, which was held in Fourchon on June 4th will be distributed in Washington this week. The report will very clearly convey that there is an unmet federal responsibility to improve LA 1 as a critical, national energy infrastructure. Lastly, MMS is holding a public hearing on the Draft Supplemental Environmental Impact Statement for the proposed Eastern Planning Area Lease Sale 224 which is set for Tuesday, July 24th at 7:00 pm at the Larose Civic Center. Our community needs to continue documenting how we are affected, both positively and negatively, by the federal offshore leasing policy. Recording these impacts will give us the documents we need to press Washington to provide funding to complete the LA 1 Project.

Committee Reports

Executive Committee - Chairman Griffin reported that the committee met on June 27, 2007 at the Operations Building in Fourchon. Present were Larry Griffin, Jimmy Lafont, and Wilbert Collins. John Melancon was absent. The Commission also met on July 9, 2007 at the Administration Building in Galliano. Wilbert Collins was absent. The Commission then discussed items that were discussed at the committee meetings.

Chairman Griffin presented for the board's consideration the request from South Lafourche Levee District. Director Falgout stated that the Levee District is involved in a land dispute with the Allain's regarding property that was used to construct the levee and would like to investigate purchasing property from the Port Commission to potentially resolve this issue. The property would either be purchased by the Levee District or sold directly to the Allain's. Upon motion by Chuckie Cheramie and second by John Melancon, the board unanimously voted not to sell property at the airport at this time.

Chairman Griffin presented to the board's consideration the appointment to the South Lafourche Beachfront Development District. Director Falgout stated that the Commission considered appointing Commissioner Jimmy Guidry but after further review of the state laws the advice of our Port Attorney is that appointment of a commissioner to the district would limit the Port's ability to financially contribute to the Beachfront Development District. Director Falgout stated that it is short notice but 4 out of the 5 members have already been selected. Commissioner Vizier nominated Al Danos which was second by John Melancon. Commissioner Lafont nominated Jay Pitre, which President Griffin stated that he lives outside of the 10th ward therefore would not qualify. Commissioner Cheramie stated that if he has a business in the 10th ward he should be considered. Mr. Autin stated that the Beachfront Development ordinance states that the appointment must be a registered voter and resident of the 10th ward. Commissioner Cheramie requested that the board receive resumes before choosing the appointment. Councilman Brent Callais stated that the Council would like the appointment by their next council meeting on July 24th. Commissioner Vizier made a motion to close nominations which was second by Jimmy Guidry. Chairman Griffin asked for any more nominations there being none he closed nominations. Commissioner Cheramie made a motion to take resumes of possible candidates which was second by Jimmy Lafont; the board voted which resulted in 2 yeas by Chuckie Cheramie and Jimmy Lafont, 6 nays, and 1 absent. The board then tallied the votes for Mr. Al Danos' nomination to the Beachfront Development District appointment which resulted in 6 yeas, 1 absent and 2 nays by Chuckie Cheramie and Jimmy Lafont.

Upon motion by Perry Gisclair and second by Donald Vizier, the board unanimously approved naming Executive Director Falgout accredited delegate for the 2007 AAPA Annual Convention.

Upon motion by Chuckie Cheramie and second by Jimmy Lafont, the board unanimously approved limiting waterfront property to be leased to a minimum of 400'.

Upon motion by Donald Vizier and second by Ervin Bruce, the board unanimously ratified Director Falgout's signature of the Wisner Temporary Beach Servitude agreement on behalf of the Greater Lafourche Port Commission. Commissioner Vizier complimented Director Falgout and the staff for having the beach open before the 4th of July weekend and hopes that in the future an agreement can be made to open the beach permanently.

Permits & Waterways Committee - Chairman Chuckie Cheramie reported that the committee met on June 27, 2007 at the Operations Building in Fourchon. Present were Jimmy Lafont, Perry Gisclair, and Larry Griffin. Chuckie Cheramie was absent. The Commission also met on July 9, 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 permits by Russell Gisclair, Jr.; BP Pipelines, Inc.; South Lafourche Levee District; Thaddeus Trosclair, Jr.; Carrizo Oil & Gas, Inc.; Swift Energy Operating, LLC; Chevron Pipe Line Company; and Carrizo Oil & Gas, Inc.

Construction & Development Committee - Chairman Bruce reported that the committee met on June 27, 2007 at the Operations Building in Fourchon. Present were Donald Vizier, Ervin Bruce, and Larry Griffin. John Melancon was absent. The Commission also met on July 9, 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 Jimmy Lafont and second by John Melancon, the board unanimously approved the DOTD Resolution Accepting the Northern Expansion Roads & Utilities project SPN578-29-0016 (323).

Upon motion by Ervin Bruce and second by Jimmy Guidry, the board unanimously approved Change Order No. 1 from Phylway Construction for the Road & Utilities Project which is a deduction of \$74,702.55 to adjust final quantities.

Upon motion by Ervin Bruce and second by Perry Gisclair, the board unanimously approved the clear lien certificate from Stranco, Inc. for the Beach Wave Protection project.

Chairman Bruce presented for the board's consideration assessing liquidated damages from Stranco for the Front Marina Bulkhead project. Director Falgout stated that the project has not progressed nearly as anticipated. Mr. Autin stated that there is \$31,750.00 of liquidated damages to date. Mr. Autin stated that the Port received an invoice this month from Stranco in the amount of \$25,000. He stated that under the contract the Port has the right to assess liquidated damages but the contract does not state if we can withhold damages from invoices. He spoke with Mr. Randy Lefort of Stranco and he was supposed to have in writing for today's meeting a request for days for which Stranco was not accountable for on the project. The alternative is to pursue damages at the end of the project or assess damages and withhold payment now as a portion of the liquidated damages. Upon motion by John Melancon to assess liquidated damages now which was second by Donald Vizier, the floor was open for discussion. Commissioner Vizier questioned the claims by Mr. Lefort of days that he was delayed. Mr. Autin stated that Mr. Lefort claims he has additional days due to design changes and material delays. The contract states that if additional days are needed, the contractor needs to give us prompt written notice and we have not received any written notice. Commissioner Vizier questioned the number of days over the contract time, which Mr. Autin replied as of today he is 127 days late. Mr. Autin stated that Mr. Lefort stated he could be 90% complete in the next month. Director Falgout stated that the motion on the floor is appropriate and the Port can come back and credit the contractor for additional days at a later date. Commissioner Vizier stated that this has caused a tenant to shut down and we have not assessed rental since May from the tenant. The board then voted which resulted in all yeas.

Chairman Bruce presented for the board's consideration to remove pile clusters at the floodgates in Golden Meadow. Director Falgout stated that there is a long history of maintenance on these piles. There is a current proposal to put new ones in for the amount of \$31,000. The committee questioned if it was too costly and not being used for the intent it was originally thought of and recommended removing them. Mr. Breaux talked to the contractor and he does have pilings ordered and will work to remove pilings and install the new pilings in the Fourchon area. Commissioner Lafont stated that since we already awarded this bid to the contractor we need to let the contractor do his job and put more pressure on the employees to monitor the situation more closely and if someone damages them they would have to pay for it. Mr. Breaux stated that if you vote to remove the piles, we will still use the bid and have the contractor adjust the location. The commissioners then discussed the benefits of having the clusters for storms and the future lock system. Commissioner Vizier and Guidry would like to see the Port invest in a stronger steel pile cluster for the future. The board decided to take no additional action, allowing the project to move forward.

Upon motion by Ervin Bruce and second by Chuckie Cheramie, the board unanimously awarded the low quote by Grand Isle Shipyard in the amount of \$53,037.00 for piles at Nerby Collins Marina and the Front Marina.

Finance Committee - Chairman John Melancon reported that the committee met on June 27, 2007 at the Operations Building in Fourchon. Present were Jimmy Guidry, Larry Griffin and Wilbert Collins. John Melancon was absent. The Commission also met on July 9, 2007 at the Administration Building in Galliano. Wilbert Collins was absent. 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 the payment of June invoices and recognized expenditures over \$10,000. Mr. Breaux stated that the invoice payment to Entergy is for underground utilities that will be reimbursed by ERA. Commissioner

Cheramie requested that any accumulation of invoices from one vendor that total \$10,000 or more be added to the list.

Upon motion by Jimmy Lafont and second by John Melancon, the board unanimously approved the financial statements from January to June 2007.

Chairman Melancon presented for the board's discussion terminating Civil Service participation. Director Falgout stated on October 15, 2002 the Supreme Court issued a decision that ports have interpreted as no longer requiring port commission's to be in Civil Service. The Port Attorney and Commission agreed at that time to discuss getting out of Civil Service. In January 2003, the board passed a resolution authorizing Director Falgout to begin implementing this with the employees. The major change will be that the Port Commission would act as the Civil Service Appeals Board and the Port will control salaries and duties. We developed a plan that involved incentives for employees moving out of Civil Service and anticipated a 2-3 year transition period. All new employees hired after 2003 are not in Civil Service. He stated that now 4 years down the line there is only 1 employee that remains in Civil Service. Director Falgout is informing the board today that he will move forward and coordinate with Civil Service for full removal of this commission. President Griffin stated that Mr. Picou has some concerns since he is the last remaining employee in Civil Service and recognized his wife to address the board on behalf of Wilson Picou. Mrs. Picou thanked the board for this opportunity to speak today. She questioned why the commission wants to get out of Civil Service and if there is any law that would force him out or if it is his choice. He is concerned about his benefits with over 20 years of employment. When he was first approached to get out of Civil Service, he was offered a 4% raise with an additional 5% to get out Civil Service. He questioned if this will affect his merit increase for this month and will he still receive the 5% for getting out, and will he still have a job if he chooses not to get out. He was discharged and returned to work on June 18th. He would like to get more information about benefits and pay increases in writing before he makes his decision.

Director Falgout stated that none of the benefits have changed for the remaining employees. The annual and sick leave still remains and is counted toward retirement. The retirement component is part of Louisiana State Employment Retirement System and has nothing to do with Civil Service. We still follow the state guidelines. The only change when you move out of Civil Service is that this commission is the appeals board and regulates any issues that an employee may have. The same benefits and salary offers made for all other employees will remain in effect at the option of Mr. Picou if he chooses to get out of Civil Service. The 5% increase would apply again. Our position is not focused on the 1 individual that remains, but having a dual system or not. We fully expect to treat Mr. Picou with all considerations that we treat all employees. He would have to make that decision and if chooses to remain in Civil Service we will assist him in finding another position. If he chooses to leave Civil Service, we would provide him with his current job. The decision the board has to make is to continue under a dual system or remove ourselves from Civil Service.

Mr. Rome will be coordinating with Civil Service Attorney Mr. Bolen on the removal of the Port Commission. Commissioner Vizier stated that since most of our employees got out of Civil Service they received raises with their same benefits. Director Falgout stated that the Port has out-performed what Civil Service has to offer. By removing ourselves from Civil Service, we have been able to offer higher paying salaries to new employees to keep up with today's job market. The yearly merit increases will be determined by using a performance base assessment and the supervisor will recommend anywhere between 0% to 5% increases. Further discussion followed regarding Mr. Picou's situation in Civil Service. Mr. Rome will continue negotiations with their attorney for the orderly removal of the Greater Lafourche Port Commission from Civil Service.

President Griffin opened the floor for public comment. Mr. Doug Cheramie questioned the invoice by Entergy for the burial of electrical lines for ERA. Director Falgout stated that we normally have above ground power and ERA wants to have below ground utilities for the area near their flyway. Mr. Cheramie stated that he brought up this concern before that the Port should have used below ground

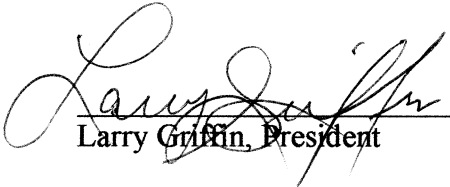
utility lines at the airport. Director Falgout stated that this was offered at the airport but the companies locating there are not in the flyway approach area. He stated that ERA's flyway crosses Dudley Bernard Road and the utilities will be underground for only that portion.

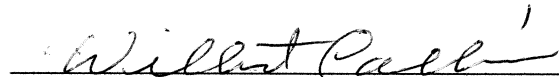
Engineer Joe Picciola reported that the soil borings are complete along with the design and plans for GOL Docks, LLC bulkhead on Slip B. The bids are scheduled to be opened on Friday. They are working on plans for their warehouse, office complex, and site development. A copy of the plans and specs were delivered to Mr. Breaux for review of the bulkhead design. Commissioner Gisclair questioned the length of the sheet piles. Mr. Picciola reported that their geotechnical report shows 55' sheets. GOL has already purchased 55' and 60' sheets that Skyline Steel had in stock. The pile compactions from the soil borings is less than what Eustis Engineering came up with for Mr. Plaisance's bulkhead. In GOL's bulkhead design, there is a regular concrete deadman tie back system with another system with double piles. A test pile program will be done before piles are driven to decide what deadman system to use. Director Falgout stated that a test pile program will also be done on Engineer Plaisance's bulkhead to take advantage of good soil conditions to lessen the length of sheet piles. Further discussion followed regarding the bulkhead projects in the Port.

President Griffin thanked Mr. and Mrs. Picou for attending the meeting along with the rest of the public.

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

ATTEST:


Larry Griffin, President


Wilbert Collins, Secretary