

AGENDA  
December 10, 2008 @ 10:30 AM

- I. Call to Order
- II. Pledge of Allegiance
- III. Roll Call
- IV. Consider approval of minutes for November 12, 2008 regular meeting and November 25, 2008 special meeting
- V. Executive Director's Report
  - A. **Northern Expansion**
    - 1) Slip B West Bulkhead, Project #3 (J. Wayne Plaisance)
    - 2) Slip B East Bulkhead, Project #4, Phases I and II (Angelette-Picciola)
  - B. **Airport**
    - 1) Parallel Taxiway Site Prep & Safety Area (LPA Group)
    - 2) North Taxiway Paving (LPA Group)
  - C. **FEMA**
  - D. **Highway Improvements**
  - E. **Coastal Issues**
  - F. **Port Security**
- VI. Committee Reports
  - A. Executive Committee
    - 1) Consider the request from Chouest Shorebase Services, LLC to lease property on Slip B
    - 2) Consider L&L Oil and Gas Services to execute Landlord Certificates
    - 3) Consider the request from Griffin Rental to assign a portion of property to Mac Nett
    - 4) Consider authorizing suit to recover for damages to Leeville Bridge camera
    - 5) Consider the request from Lafourche Telephone Company to execute Memoranda of Lease
  - B. Permits & Waterways Committee
    - 1) Update on vessels/structures in violation of Ordinance No. 25 and Ordinance No. 37
    - 2) Permit by Lafourche Parish Government
  - C. Construction & Development Committee
    - 1) Consider Substantial Completion Certificate by Ronald Adams Contractors for Waterline & Roadway
    - 2) Discuss current status and proposed tie rod work for the West Slip B Bulkhead Project #1
    - 3) Consider Change Order No. 2 by Weeks Marine for Pass Fourchon Dredging
    - 4) Consider Substantial Completion Certificate by Weeks Marine for Pass Fourchon Dredging
  - D. Finance Committee
    - 1) Consider payment of November invoices and recognize expenditures over \$10,000
    - 2) Consider the November financial statement
    - 3) Consider the 2009 Budget
    - 4) Consider out of state travel requests
- VII. Any other business
- VIII. Public Comment
- IX. Possible Executive Session to discuss prospective litigation with Caillouet Land Corporation regarding payment for dredging of Pass Fourchon.
- X. Any other business
- XI. Public Comment
- XII. Adjournment

**OFFICIAL PROCEEDINGS OF THE GREATER LAFOURCHE PORT COMMISSION**  
**December 10, 2008**

The Board of Commissioners of the Greater Lafourche Port Commission met in regular session on Wednesday, December 10, 2008 at 10:30AM.

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

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

**ABSENT:** Chuckie Cheramie and Wilbert Collins

Upon motion by John Melancon and second by Ervin Bruce, the board unanimously approved the November 12, 2008 regular meeting minutes and November 25, 2008 special meeting minutes.

**Executive Director's Report**

Northern Expansion Update – Engineer John Plaisance reported that James Construction is moving along with driving timber piles and the steel sheet bulkhead for Slip B West Bulkhead, Project #3. Engineer Larry Picciola reported that the steel sheets are in and ready for the painters for Slip B East Bulkhead, Project #4. The notice to proceed was dated December 1, 2008 with 9 months for completion. Engineer Picciola reported that he is ready to submit the plans to DOTD for Phase II of Project #4 once the Port decides on the shifting of 600' of bulkhead. Director Falgout stated that we will inform the lessee to make a decision within 10 days to relocate the bulkhead 600' north.

Airport Update – Airport Manager, Jason Duet reported that the Parallel Taxiway Site Prep & Safety Area project is complete. The engineer is reviewing the substantial completion request from the contractor. The Paving of the North Taxiway project began on Monday. The connectors to the taxiway will be done first which will result in a closure of the north 2,000 ft. of runway from January until early February. The runway will be reopened for the remaining sections of the project. Commissioner Melancon questioned the procedure in measuring the stock pile material on the buffer zone lease, which Mr. Breaux replied that the quantities were based on the surcharge stock pile from two tank foundations which is estimated at 94,000 yards each along with retainer levees. Mr. Breaux is waiting on confirmation from Boh Brothers who actually moved the material to the site.

FEMA Update - Mr. Chiasson is continuing to work and meet with FEMA to complete project worksheets. A few of the priority projects he is working on is the Front Commercial Marina which will repair all the wharves, boat lift and some embankment stabilization. The Public Boat Launch repairs to the wharves and a newly constructed and relocated Bathhouse. The Pavilion has been repaired. The Maintenance Warehouse behind Operations Center has been repaired with breakaway walls. Mr. Chiasson is working with FEMA to repair the interior of the building and recover damaged tools and equipment. He stated that he has not seen much action from FEMA on the Beach Protection project which is a major line of defense during storms. He is aggressively contacting FEMA to meet and move this project forward. Director Falgout stated that this is clearly where the greatest damage is and the largest amount of money included in the budget. We will hopefully see this project moving forward as a first line of defense before the next hurricane season. Commissioner Gisclair requested updated photos of Fourchon Seafood's damaged buildings. Director Falgout reported that annual inspections are conducted but have been delayed due to the hurricanes. We will inspect the site to determine the repairs that are needed to return the facility to a safe condition.

Highway Improvements – Mr. Henri Boulet, Director of LA 1 Coalition reported that Phase 1A of the LA 1 Project (between Port Fourchon and Leeville) is 22% complete, Phase 1B (approaches) are

81% complete, Phase 1C (main-span crossing) is 90% complete, and Phase 1D (Tolling Equipment) is 10% complete.

He stated that DOTD is still planning on beginning the R/O/W acquisition process early next year. The concern of Phase 2 receiving construction funds from any federal stimulus bill, which could potentially fund infrastructure projects nationwide, we are working toward making sure the LA 1 Project would be designed and ready-to-go to meet the aggressive timeframe requirements that may be attached to the stimulus bill. Our parish government took a huge step last night at their meeting in proposing an ordinance that would provide \$3.5 million in funding for the expedited designing of Phase 2. Additionally, Mr. Boulet is continuing to work on a Hazard Mitigation Grant Application for assistance in designing this segment as well.

The U.S. Department of Energy officials in Washington leading the effort to produce a federal Economic Assessment of Louisiana Highway 1 met with National Lab Infrastructure Team Monday on the assessment, and asked the team to revise the document with additional supporting information. They are meeting again today on the project. Mr. Boulet will continue to request the expedited completion of this document, which will support the case for federal funding of the LA 1 Project. He reported that yesterday he attended the DOTD's Annual Public Hearing for District 2 to comment on their proposed Highway Program for the budget year 2009-2010. The program listed the LA 1 project's Phase 2 as needing funding, it listed replacement of the Galliano Bridge gearboxes at \$250,000, and it listed the proposed new Bayou Lafourche Lift Bridge in Larose at \$18, 4000. It did not include projects which they are seeking FHWA or FEMA funding for, such as overlaying of Highway 3090, since those projects are funded from the DOTD budget. Mr. Mike Stack, District 2 Administrator told me Monday he is trying to get an update/decision from FHWA as to if they will agree to fund it, and will let me know as soon as he hears. We are still scheduled to receive that overlay in the fiscal year.

Mr. Boulet reported on the concern of ponding of water at the intersection of Hwy. 3090 and LA 1. He stated that DOTD has said that they have not seen water on the road itself, and that the ponding of water on their R/O/W does not, in their opinion, present a hazard to the traveling public. The work is planned to re-do that drainage in June 2011 in connection with other intersection work there, they estimated a cost of approximately \$100,000 to get the contractor to bring in those subs earlier in the project. They did say that the 2011 work does call for installation of two new catch basins, replacement of 272 feet of pipe, and cleaning of another 325 feet of pipe. While they don't have the \$100,000 available for this work now, they did offer to participate in a meeting to address this concern, saying that should the Port Commission, as a public agency wish to pass a resolution requesting that DOTD arrange a meeting with the adjacent facility owner.

He reported that the bids on the shoulder/embankment repairs of LA 1 between Leeville and the Jefferson/Lafourche Parish Line were accepted Monday. The low bid came in at \$1,448,050 from Coastal Bridge. An award letter was issued yesterday. The contractor has seven days to return the documents, and then a notice to proceed will be issued immediately. Also, concerning potential oversize loads meeting each other on the new elevated highway, Sergeant Blanchard from State Police told me that the state police's Baton Rouge office issues the permits, and that he does not see problems with this occurring. He stated that one option they may use is to take extra wide loads on the old highway, but again, with forty feet of elevated highway, he did not see it as an issue.

Commissioner Lafont stated that we will have to wait for the water at the intersection to be addressed when we know that the culverts are caved in, which Mr. Boulet reiterated that if this needs to be addressed immediately it will cost an additional \$100,000. There was further discussion of the actual project to clean and replace culverts in that area. Commissioner Vizier questioned where the funds are coming from that the Parish allocated to the highway project, which Mr. Boulet replied that the parish dedicated \$3.5 million over a 3 year period to design Phase 2 of the LA 1 project. The funds will come from the Sales Tax District No. 2. Some of the councilmen would rather see the whole parish pay for it through royalty monies. The parish royalty monies are being used for a parish wide study to challenge FEMA on the new flood elevation maps. The Lafourche Parish Government is working with other

parishes and LRA which may participate in the cost of the study which may free up some funds to go toward the LA 1 project.

Mr. Breaux suggested that we pass a resolution to set up a meeting with DOTD to determine when the culvert will be replaced. Upon motion by Jimmy Lafont and second by Ervin Bruce, the board unanimously approved a resolution requesting that DOTD schedule a meeting with the owner of the facility adjacent to the corner of LA 1 and LA 3090 to discuss resolving the drainage problem and that representatives of the Port Commission and LA 1 Coalition be invited to attend the meeting.

Coastal Issues – Director Falgout stated that the Coastal Protection Finance Corporation met yesterday to move forward with bond sales and other major items that need to be done before we finance any offshore revenue sharing. One of the hurdles is that MMS did not establish rules beyond 2016 when the money really starts coming to the state. Wall Street will not lend a dime until there is a clear procedure beyond 2016. The state is trying to work this out. He reported that Friday the Governor's Office of Coastal Activities and staffers from DC will be flying over the coast and will stop in Port for a presentation and tour. Director Falgout reported that the Bayou Lafourche project is moving along. There are now surveyors along the 6.2 miles section in Donaldsonville. The state has committed \$20 million to dredge 600,000 cubic ft. of material to allow 1,000 cubic feet per second of water to move through the bayou without raising the water level. The bayou is only moving around 150 cfs right now. The contract is planned to be out for bid in February. It is anticipated to be dredged by fall 2009 which will allow the Bayou Lafourche Freshwater District to begin pumping double the amount of water but it will be a few years until we see the full benefit.

Port Security – Director Falgout reported that we are proceeding to obtain a risk management plan as required for port security funding and we accepted request for proposals. Mr. Chiasson reported that 6 proposals were received on December 2<sup>nd</sup> to complete the plan. The Port and LOOP evaluated the proposals and has chosen IEM based out of Baton Rouge. We are in the process of negotiating prices with them. The deadline to submit a draft plan to the Department of Homeland Security is 100 days with another 90 days to submit the final plan.

## **Committee Reports**

Executive Committee - Chairman Griffin reported that the committee met on December 8, 2008 at the Administration Building in Galliano. Present were Larry Griffin, John Melancon, Jimmy Lafont and Wilbert Collins. The Commission then discussed items that were discussed at the committee meeting.

Chairman Griffin presented for the board's consideration the request from Chouest Shorebase Services, LLC to lease 71 acres of property on Slip B. Director Falgout stated that he has had discussions with Mr. White for a presentation which will be at a later date, therefore, no action needs to be taken by the board.

Chairman Griffin presented for the board's consideration the L&L Oil and Gas Services Landlord Certificates. Director Falgout stated that L&L is in the process of being sold to a larger company, Green Hunter. Mr. Brian Carpenter addressed the board. He stated that they are negotiating a purchase agreement with Green Hunter a renewable fuel U.S. company. Director Falgout stated that in order for the Port to execute the landlord certificate we need confirmation that repairs will be done to include in the document. Mr. Carpenter stated that they are moving forward with repairing the bulkheads on the lease sites. Mr. Autin stated that some default language in the document needs to be changed to reflect the condition of the bulkhead. He recommended approving the certificates as long as the plans to repair the bulkhead are followed through with and the proposed language is included. Mr. Carpenter reported that the 500' bulkhead at Dock#15 needs a complete replacement. Engineers will inspect the bulkhead and tie back system to determine the replacement. The 700' bulkhead at Dock#16 needs general maintenance of blasting and painting. L&L has begun work on the concrete piles at the old Banana Dock which will be complete with an exterior steel bumper system. Upon motion by John Melancon and second by Jimmy Guidry, the board unanimously approved the 4 landlord certificates conditioned on the inclusion of planned repairs to address the Port's concerns with the bulkheads.

Upon motion by Jimmy Lafont and second by Ervin Bruce, the board unanimously approved the request from Griffin Rental to assign a portion of property (200' x 200') to Mac Nett Environmental on Site 203.

Upon motion by Perry Gisclair and second by Jimmy Guidry, the board unanimously authorized Port Attorney to file suit against the owners of F/V Orchid Lady II to recover damages to the Leeville Bridge camera.

Upon motion by Ervin Bruce and second by John Melancon, the board unanimously approved the request from Lafourche Telephone Company to execute a Memoranda of Lease for Sites GLF100-A and SLIP-8.

Permits & Waterways Committee – Commissioner Lafont reported that the committee met on December 8, 2008 at the Administration Building in Galliano. Present were Larry Griffin, Perry Gisclair and Jimmy Lafont. The Commission then discussed items that were discussed at the committee meeting.

Commissioner Lafont presented to the board the update on vessels/structures in violation of Ordinance No. 25 and Ordinance No. 37. Mr. Autin reported that it was resolved to remove these vessels and buildings. We received 1 proposal and it was requested by the board to contact other contractors to submit quotes which we should receive by the end of next week.

Director Falgout stated that the permit for review by the Lafourche Parish Government is part of the CIAP program for coastal assistance. The parish will be receiving \$9 million from the 2005 Act by Congress which a portion will be spent on this project near Catfish Lake to dredge material to create marsh between the lake and the levee system.

Construction & Development Committee - Chairman Bruce reported that the committee met on December 8, 2008 at the Administration Building in Galliano. Present were Ervin Bruce, Larry Griffin, Donald Vizier and John Melancon. The Commission then discussed items that were discussed at the committee meeting.

Upon motion by Ervin Bruce and second by John Melancon, the board unanimously approved the Substantial Completion Certificate dated October 18, 2008 by Ronald Adams Contractors for Waterline & Roadway at the Airport.

Commissioner Bruce presented to the board the status and proposed tie rod repairs for the West Slip B Bulkhead Project #1. Director Falgout stated that over the last several months several tie rods sheared at the bulkhead causing considerable concern. All but one has been temporarily repaired. We have been negotiating with the engineer on a fix and who will pay for the fix. At a special meeting later this month, we hope to be in a position to have an agreed upon project for the upgrade, who will pay for it, and the complete support of all lessees involved to move forward. No action taken by the board today.

Upon motion by Ervin Bruce and second by Perry Gisclair, the board unanimously approved Change Order No. 2 an increase of \$232,583.00 by Weeks Marine for the Pass Fourchon Dredging project which is due to the additional silt deposited after the hurricanes.

Upon motion by Ervin Bruce and second by Jimmy Lafont, the board unanimously approved the Substantial Completion Certificate dated November 17, 2008 by Weeks Marine for the Pass Fourchon Dredging project.

Finance Committee - Chairman Melancon reported that the committee met on November 25, 2008 at the Administrative Building in Galliano. Present were John Melancon, Jimmy Guidry, and Larry Griffin. Wilbert Collins was absent. The committee also met on December 8, 2008 at the Administration Building in Galliano. All members 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 payment of November invoices and recognized expenditures over \$10,000.

Upon motion by John Melancon and second by Ervin Bruce, the board unanimously approved the November financial statement.

Commissioner Melancon motioned to approve the 2009 Budget of \$80,697,164 which was seconded by Donald Vizier; the floor was open for discussion. Commissioner Lafont congratulated Mr. Rome and the other staff who participated in putting the budget together. Commissioner Lafont requested that if an in-house employee gets the director's position that the Port wait at least a year to fill that position with the workload divided up among other employees. Director Falgout stated that the board will select the new director in 6 months either from within or outside the agency. Once the person is selected, he or she will be performing that position with me for the last 6 months with an allocated salary in the budget to pay the new director. He stated that what you choose to pay that person does not have to be exactly what is in the budget. Director Falgout stated that the details of hiring a person to fill a possible in house position will be discussed and voted on by the board next year once the new director is selected.

Commissioner Lafont requested removing the conference room speaker lighting system from the budget but if it is not removed he requested that the board review the system and cost prior to it being installed. Commissioner Melancon understands the concerns about hiring and the amount in the budget is an estimated amount which can be changed. Secondly, he agrees with Mr. Lafont about the removal of the lighting system. Commissioner Lafont motioned to amend the 2009 Budget to remove the speaker lighting system which was seconded by John Melancon; the floor was open for discussion. Commissioner Vizier stated that the lighting system was put in the budget to allow the board to work more professionally during meetings. Commissioner Gisclair stated that he is for the lighting system to help the president recognize members that wish to speak and be more professional but then again because it is the budget does not mean it has to be purchased. The board then voted on the amendment to remove the lighting system which resulted in 5 yeas by Lafont, Griffin, Melancon, Guidry, Bruce; 2 nays by Gisclair, Vizier; and 2 absent by Cheramie, Collins. The amendment passed to remove the lighting from the budget. The board then voted on the 2009 Budget as amended \$80,685,664 which resulted in all yeas.

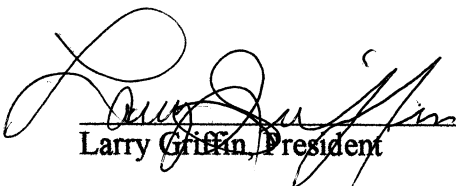
Upon motion by John Melancon and second by Jimmy Guidry, the board unanimously approved the out of state travel requests by Jon Callais and Troy Dufrene to attend the Small Vessel Security Summit in Texas on January 9, 2009.

President Griffin opened the floor for any other business. Mr. Chiasson informed the board that in anticipation of the possible Federal Stimulus Bill allocated for infrastructure projects, he has submitted some port and airport projects to be added to that list.

President Griffin recommended going into executive session to discuss prospective litigation with the Caillouet Land Corporation ("CLC") regarding payment for dredging of Pass Fourchon. Director Falgout stated that there is a disagreement with CLC and we have placed a demand for payment. Upon motion by John Melancon and second by Jimmy Lafont, a two thirds roll call vote resulted in 7 yeas by Gisclair, Lafont, Vizier, Griffin, Melancon, Guidry, Bruce; and 2 absent by Cheramie, Collins. The board returned to the meeting. Upon motion by Jimmy Lafont and second by Jimmy Guidry, the board unanimously authorized the administration to issue an additional letter of demand to the CLC for reimbursement of a portion of the costs for the Dredging of Pass Fourchon project giving 30 days for receipt of payment.

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

ATTEST:

  
Larry Griffin, President

  
Wilbert Collins, Secretary