

AGENDA
March 11, 2008 @ 10:30 AM

- I. Call to Order
- II. Pledge of Allegiance
- III. Roll Call
- IV. Consider 2/3 vote to add the following items to the agenda:
 - A. Consider removing open cell alternative from East Bulkhead Project #3
 - B. Consider a resolution in support of the Governor's Transportation and Coastal Restoration plan
 - C. Discussion regarding Port Ordinance No. 34
 - D. Consider authorizing Director Falgout to negotiate and execute Feasibility Cost Share agreement regarding dredging in Bayou Lafourche between mile 3.4 to 4.0
 - E. Consider a resolution to advertise for bids for Pass Fourchon Dredging project
- V. Consider February 13, 2008 regular meeting minutes for approval
- VI. Executive Director's Report
 - A. Northern Expansion Update:**
 - 1) Slip B, East Bulkhead, Project #3 – John Plaisance
 - B. Airport Update/Project Status**
 - C. FEMA Update**
 - D. Highway Improvements**
 - E. Coastal Issues Update**
- VII. Committee Reports
 - A. Executive Committee
 - 1) Consider advertising for summer employees
 - B. Permits & Waterways Committee
 - 1) Consider approving proposed amendment to Port Ordinance No. 69
 - 2) Permits:
 - a. Maritech Resources, Inc.
 - b. Tíلمان Danos
 - C. Construction & Development Committee
 - 1) Consider approving the low bid for fuel service at Galliano
 - 2) Consider approving the low bid for Maritime Forest Ridge Shaping project
 - D. Finance Committee
 - 1) Consider payment of February invoices and recognize expenditures over \$10,000
- VIII. Any other business
- IX. Public Comment
- X. Adjournment

OFFICIAL PROCEEDINGS OF THE GREATER LAFOURCHE PORT COMMISSION

March 11, 2008

The Board of Commissioners of the Greater Lafourche Port Commission met in regular session on Tuesday, March 11, 2008 at 10:30AM.

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

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

ABSENT: Wilbert Collins and Ervin Bruce

President Griffin veered from the agenda to consider adding the following items to the agenda:

1. Consider removing open cell alternative from West Bulkhead Project #3
2. Consider a resolution in support of the Governor's Transportation and Coastal Restoration plan
3. Discussion regarding Port Ordinance No. 34
4. Consider authorizing Director Falgout to negotiate and execute Feasibility Cost Share agreement regarding dredging in Bayou Lafourche between mile 3.4 to 4.0
5. Consider a resolution to advertise for bids for Pass Fourchon Dredging project

Upon motion by Donald Vizier and second by John Melancon, a two-thirds vote was taken to add the items to the agenda which resulted in all yeas.

Upon motion by Chuckie Cheramie and second by Donald Vizier, the board unanimously approved the February 13, 2008 regular meeting minutes.

Executive Director's Report

Northern Expansion Update – Engineer John Plaisance reported that the plans and specifications for Slip B, West Bulkhead, Project #3 have been submitted to DOTD. Once the plans are reviewed by DOTD, the project will be ready to advertise.

Airport Update/Project Status – Mr. Autin reported that the Parallel Taxiway project is still on hold waiting on the Corps' review of the relocation of the drainage ditch. He stated that the LOOP agreement is close to being finalized. The Port needs to meet with the contractor to agree to some details in the agreement.

FEMA Update – Mr. Autin stated that the lien period for Phase I Front Marina Bulkhead project has ended. The debris from Stranco is still on site. Engineer Plaisance is reviewing a request from Stranco for additional days and additional cost and will report to the board once he filters through the request. Engineer Plaisance stated that Stranco discussed hiring Grand Isle Shipyard to remove the debris once Phase II is complete. Commissioner Melancon stated that the Port has been discussing the debris on site for a while now and he believes that this should be taken care of before summer. Commissioner Griffin questioned if the hired contractor removes the debris and doesn't get paid if this falls on the Port's expense. Mr. Pregeant with Grand Isle Shipyard stated that they will clean up the debris only if paid in advance. Further discussion continued regarding the Port cleaning up the site and deducting funds from retainage. Upon motion by John Melancon and second by Donald Vizier, the board unanimously approved giving Stranco 10 additional days to clean up the debris on Phase I.

Highway Improvements – Mr. Henri Boulet with the LA 1 Coalition reported that the Governor has proposed allocating a substantial amount of the \$1 billion surplus toward transportation, so it is critical that our LA 1 project is represented in their discussions. Mr. Boulet made a formal presentation to the Joint Legislative Committee on Transportation last Tuesday in New Orleans at

their annual District 5 Public Hearing. While funding for the Phase 1D bid is included in the Highway Construction Priorities for the 2008-2009 fiscal year, he is requesting additional funding consideration for some of the pre-construction needs for Phase 2 (Golden Meadow to Leeville). Also included in this schedule is a new lift bridge in Larose to replace the Holy Rosary Pontoon Bridge to be funded in the upcoming year which may go out for bid this summer. April 30th is the scheduled date DOTD will take bids on Phase 1D of the LA 1 Project (toll plaza equipment, the customer service center in Golden Meadow, and associated facilities).

The work by the Engineering Firm Wilbur Smith continues on identifying the finalized R/O/W maps for Phase 2. The maps are due back to the state in August of this year. The Coalition has submitted annual federal appropriation requests to all three members of our congressional delegation seeking continued federal funding of the LA 1 Project. The appropriation request makes our congressional delegation aware of the specific need for \$10 million in Phase 2 pre-construction funding (R/O/W, design, pipeline removal and/or deepening) and \$250 million for construction of this 8.3 mile section of 2-lane elevated highway. Mr. Boulet along with Director Falgout visited the offices of our congressional delegation in Washington last week to discuss these recent appropriation requests, and to discuss strategy with our elected officials on potential mechanisms to fund this national infrastructure need. The annual transportation bills have provided only \$1-3 million per year for our project. We are working with our delegation and federal agencies to develop mechanisms to fund what is needed. In that same effort, the Coalition and the Port jointly hosted meetings at Fourchon this past month with officials from the United States Department of Energy and the United States Department of Homeland Security. These are two agencies that have recently shown sincere interest in addressing the LA 1 vulnerability.

Mr. Boulet reported that in local news there are some concerns with recent correspondence with the Corps to decertify the South Lafourche Levee System. Levee District Manager Windell Curole will be working on this issue which may need community support. Further information will be forthcoming.

Commissioner Melancon questioned the results from the first bids for the Larose lift bridge, which Mr. Boulet replied that it was estimated at \$8 million but the bids came in at \$15 million. DOTD is budgeting for \$18 million for this next bid.

Commissioner Melancon stated that he has noticed yellow markers in the bayou where the embankment is close to the waters edge. He stated that there are some crucial spots on LA 308 that are eroding and need to be addressed. Director Falgout stated that these areas were identified. Representative Gisclair spoke to Director Falgout recently on the process of getting funding for embankment work. He stated that original funding came from Representative Theriot from the Capital Outlay bill. There has not been any additional appropriation approved since the original bill. There may be an opportunity to get State assistance on embankment projects which may be the direction that Representative Gisclair is going. Engineer John Plaisance reported that those markers are placed to locate the culverts that cross the road. Director Falgout stated that the last review of the embankment showed that there are not many areas that are undermining the highway. He stated that in the area that Mr. Melancon is referring to, the roadway is high with a drop to the bayou. A lack of a broad shoulder gives the perception that the bayou is up against the road. That area is a safety issue. Commissioner Melancon stated that he believes that it is a problem and requested that it be addressed. Commissioner Vizier questioned if we need to start another project and if DOTD or the Port will fund the project. Commissioner Melancon stated that we still have money from the first bill along with funds in the Port's budget to begin a new project to stabilize the embankment. Director Falgout requested that the board give direction to what areas need to be addressed. Further discussion followed regarding embankment work. Director Falgout stated that we will identify specific areas that need to be addressed to begin some embankment work this year.

Director Falgout presented to the board the presentation of slides from Dr. Loren Scott's study of the significance of Port Fourchon and this region. The total impact of the Port shutting down for 3 weeks from any emergency would cause a loss of nearly \$10 billion in sales at \$66 per barrel of oil. The loss of sales would result in loss of household earnings of U.S. citizens by nearly \$3 billion and a total of 77,000 jobs would vanish. According to the study based on calculations from 2006, in the Houma/Lafourche region there is over \$1.4 billion in business sales, over \$324 million in household earnings for the residents, and over 8,000 jobs that exist in this area because of the ongoing Port operations. The sales tax collected in Lafourche and Terrebonne in 2006 is estimated at \$12 million due to the presence of Port Fourchon. This study shows that there is a huge amount of money circulating in this region that would not have been there if this port had been located elsewhere.

Director Falgout reported that he continues to work on the several Bayou Lafourche projects. There is a Bayou Lafourche Focus group meeting next week to push to get the pumping station in Donaldsonville to fully maximize its capabilities by doing dredging work in the bayou. Davis Pond for the first time ever in February operated for 12 days at full capacity which is 10,500 cubic feet per second or above. The reason it is not operating at full capacity now is that the basin has fresh water all the way down to well below the 15 parts per thousand which is brackish water. It is now fresh today. They slowed the system down to 1000 cfs to see if the salinity levels move back up. Clearly, Davis Pond now shows it can make a difference and hopefully the management plan in the future allows it to perform to its capabilities.

Director Falgout will participate in the Corps meeting on Friday to discuss the beneficial use of dredge material across the State. The State and the Corps is beginning to discuss how to maximize the use of materials from federal, state, and local projects in a beneficial manner.

It is unfortunate to hear about the South Lafourche levees and as a community everyone will play a role in trying to work through this and bring some sense to some of the reports that they have that don't recognize this communities efforts. The study that we are doing will help to provide information or justification that this community although small in number is in need of flood protection. It is the access corridor to the Gulf of Mexico.

Commissioner Cheramie questioned if the freshwater made it to Lake Salvador, which Director Falgout replied yes. Director Falgout stated that completely freshwater with no salinity in it is 0 and sea water in the Gulf and off of Grand Isle is about 30 being very salty. The concept of Davis Pond is to move the imaginary line of 15 parts per thousand in the estuary 12 miles further south. The line originally was all the way in the southern part of Little Lake before Davis Pond opened. Today the salinity level in the southern part of Little Lake is .02 less than 1 part per thousand salinity. Another area 10 miles south in Hackberry Bay which was normally 15 parts of range this morning it was under 1 again there. There is considerable oyster fishery in that area which will keep oysters a couple of weeks in those areas but left longer at that range they will have mortality that is why they slowed Davis Pond down to 1000 cfs to see if that line comes back up. The benefits of freshwater will still be received in Little Lake and Lake Salvador.

Committee Reports

Executive Committee – Chairman Griffin reported that the committee met on February 27, 2008 at the Operations Building in Fourchon. Present were Larry Griffin, John Melancon, Wilbert Collins, and Jimmy Lafont. The committee also met on March 10, 2008 at the Administration Building in Galliano. All members were present. The Commission then discussed items that were discussed at the committee meetings.

Chairman Griffin presented for the board's consideration removing the open cell alternative from the Northern Expansion Slip B Project#3. Director Falgout stated that the Port has authorized to proceed with both the traditional design and open cell design. With the urgency to get things moving, we had hoped to be in a position to compare the open cell technology to our traditional bulkhead design but are not there yet. Director Falgout recommended that we don't bid the open cell on this

project which would allow DOTD to only review the traditional design which will have a faster turnaround and possibly have the project out for bid within the next 30 days. The soil conditions have changed from initial reports resulting in a reduced size of the steel sheets and we expect to save money from the original bids that were rejected. DOTD, at our request, will fund half of the overrun. We are not throwing the open cell design out the window but will most likely design a separate project solely with the open cell design. Upon motion by Chuckie Cheramie and second by John Melancon, the floor was open for discussion. Commissioner Lafont stated that the reason for rejecting the first bids were to save money and questioned if we will save any money, which Director Falgout stated that the first bids came in at \$12.8 million and we budgeted \$10 million since then the steel sheets will be shorter and he still believes the Port will save money. The board then voted which resulted in all yeas.

Commissioner Perry Gisclair entered the meeting.

Upon motion by Donald Vizier and second by Jimmy Guidry, the board unanimously adopted the resolution in support of the Governor's Agenda on Spending of Surplus Revenues on transportation and coastal protection submitted to the Louisiana Legislature.

Upon motion by Chuckie Cheramie and second by John Melancon, the board unanimously resolved to inspect the mooring systems in that section of Bayou Lafourche in the general vicinity of the Levee Bridge.

Upon motion by John Melancon and second by Jimmy Guidry, the board unanimously authorized Director Falgout to negotiate and execute an acceptable cost share agreement with the Corps of Engineers to extend the dredging maintenance of the channel from the southern limits of C-Port to just north of the Flotation Canal (mile marker 3.4 to 4.0).

Upon motion by Chuckie Cheramie and second by Donald Vizier, the board unanimously approved advertising for the Pass Fourchon dredging project which will include dredging Nerby Collins Marina and placing approximately 200,000 cubic yards of material on the beach to restore the damage done by past hurricanes.

Upon motion by John Melancon and second by Chuckie Cheramie, the board unanimously approved advertising for summer employees.

Permits & Waterways Committee – Chairman Cheramie reported that the committee met on February 27, 2008 at the Operations Building in Fourchon. Present were Chuckie Cheramie, Jimmy Lafont, Larry Griffin, and Perry Gisclair. The committee also met on March 10, 2008 at the Administration Building in Galliano. All members were present. The Commission then discussed items that were discussed at the committee meetings.

The following amended Ordinance No. 69 was presented by Chuckie Cheramie, who moved its adoption, and seconded by Jimmy Guidry:

ORDINANCE NO. 69 (Amended)

AN ORDINANCE MAKING IT UNLAWFUL TO HUNT, TRAP ANIMALS, FOWL OR REPTILES, OR FISH COMMERCIALY IN THE AREA COMMONLY KNOWN AS "RAPPELET'S POND" IN PORT FOURCHON AND MORE PARTICULARLY DESCRIBED AS THAT AREA IN PORT FOURCHON WHOSE EASTERN BOUNDARY IS LA 3090; WESTERN BOUNDARY IS BAYOU LAFOURCHE; SOUTHERN BOUNDARY IS N. J. THERIOT ROAD; AND NORTHERN BOUNDARY IS FLOTATION CANAL. PENALTIES FOR VIOLATION OF SAID ORDINANCE ARE PROVIDED FOR HEREIN.

BE IT ORDAINED, by the Board of Commissioners of the Greater Lafourche Port Commission that:

SECTION 1. It is hereby declared unlawful for any person to hunt, trap animals, fowl, or reptiles, in that area in Port Fourchon commonly known as "Rappelet's Pond" and more particularly described as that area in Port Fourchon whose Eastern Boundary is LA 3090; Western Boundary is Bayou Lafourche; Southern Boundary is N. J. Theriot Road; and Northern Boundary is Flotation Canal (hereinafter, "Rappelet's Pond").

SECTION 2. It is hereby declared unlawful for any person to fish, shrimp, crab, or cause to be taken any other species of fish or shellfish from that area in Port Fourchon commonly known as "Rappelet's Pond" when such person is not doing so in accordance with all applicable state and/or federal laws, rules or regulations covering recreational fishing.

SECTION 3. Any person violating any provision of this ordinance shall, upon conviction, be fined not more than Five Hundred Dollars (\$500.00) or imprisoned for not more than six (6) months in jail, or both, in the discretion of the court having jurisdiction.

This ordinance, having been submitted in writing, having been read and adopted by sections at a public meeting of said Commission, was then submitted to an official vote as a whole; the vote thereon being 7 yeas by Cheramie, Gisclair, Lafont, Vizier, Griffin, Melancon, Guidry and 2 absent by Collins and Bruce. The amended ordinance was declared adopted on March 11, 2008.

Chairman Cheramie presented to the board the permits by Maritech Resources, Inc. and Tilman Danos.

Construction & Development Committee – Commissioner Vizier reported that the committee met on February 27, 2008 at the Operations Building in Fourchon. Present were Larry Griffin, Donald Vizier, and John Melancon. Ervin Bruce was absent. The committee also met on March 10, 2008 at the Administration Building in Galliano. Ervin Bruce was absent. The Commission then discussed items that were discussed at the committee meetings.

Upon motion by Donald Vizier and second by John Melancon, the board unanimously approved the bid for fuel service at the Galliano Warehouse to Gaubert Oil Company at the rack price of \$2.36 and a markup of \$0.13.

Upon motion by Donald Vizier and second by Jimmy Guidry, the board unanimously approved the low bid for the Maritime Forest Ridge Shaping project to Grand Isle Shipyard for the base bid in the amount of \$822,720.00. Director Falgout stated that the project will shape the whole ridge to a +8 elevation except the last 1,000 ft. Commissioner Melancon questioned if there are plants and trees on the ridge, which Director Falgout replied yes. BTNEP has planted vegetation over the last few years in connection with NRCS. There are all types of plants and trees growing on the ridge.

Finance Committee – Chairman John Melancon reported that the committee met on February 27, 2008, at the Operations Building in Fourchon. Present were John Melancon, Jimmy Guidry, Larry Griffin, and Wilbert Collins. The committee also met on March 10, 2008 at the Administrations Building in Galliano. All members were present. The Commission then discussed items that were discussed at the committee meetings.

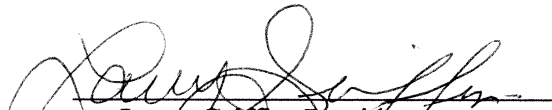
Upon motion by John Melancon and second by Jimmy Lafont, the board unanimously approved the payment of February invoices and recognized the expenditures over \$10,000.

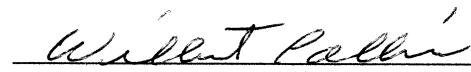
President Griffin opened the floor for public comment. Mr. Doug Cheramie, Sr. questioned the location of the Corps meeting on Friday, which Director Falgout replied it is at their headquarters. Mr. Cheramie questioned if the study from Dr. Loren Scott will be available to the public, which Director Falgout replied that the final draft would be. Mr. Cheramie questioned the problems with the water flow in the Bayou Lafourche project because it has been going on for a long time. Director Falgout replied that the pump station that exists today has the capability to pump 400 cubic feet per second. As the bayou in the northern reach silted up, which caused the water levels to elevate, people complained about the water rising. The solution at the time was not to dredge or increase the pump capacity but to reduce the pump capacity to 200 cfs which is now at 150 cfs. In the 15 years that this has been going on, there have been over 100 different diversion projects introduced to allow from 3,000 cfs to 1,000 cfs. They have now restricted it to 1,000 cfs and chose the bed of Bayou Lafourche as the way to go. Historically, the State has not taken on the hard decisions of expropriating property due to private interest which is why we have not been able to build fairly simple projects. Under the new administration and with the push of the Port, ROR, and other allies, the administration is willing to fast forward the project. Director Falgout is a member of the Task Force of stakeholders that has been formed to meet regularly and expedite this project. There is a cooperative endeavor agreement

between the State and the Bayou Lafourche Freshwater District for the state to assume the major responsibilities. They also agreed to get an excavator to begin dredging a 2 mile section in the northern part of the bayou to allow the pumps to operate at full capacity or at least to 300 cfs as soon as possible. We could possibly see it operating at 300 cfs by the end of the year. We will continue to aggressively move toward operating at 1,000 cfs. We will consider all the alternative diversion projects that were not chosen in the past to find the shortest route from Donaldsonville to increase water flow.

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

ATTEST:


Larry Griffin, President


Wilbert Collins, Secretary