

AGENDA
May 12, 2010 at 10:30 AM
(Revised 5/11/10 at 9:40 AM)

- I. Call to Order
- II. Pledge of Allegiance
- III. Roll Call
- IV. Consider approval of minutes for April 14, 2010 regular meeting
- V. Executive Director's Report
 - A. Northern Expansion**
 - 1) Slip B East Bulkhead, Phase #4, Part II (Angelette-Picciola)
 - 2) Slip B Asphalt Dudley Bernard Road, Phase 2 (Angelette-Picciola)
 - B. Airport Projects**
 - 1) Approach Lighting
 - 2) Airport Drainage Canal
 - 3) Pump Station Upgrade
 - 4) Lear Drive
 - C. FEMA Projects**
 - 1) Bathhouse
 - D. Port Security and Grant Projects**
 - 1) 400' Communications Tower and Foundation
 - 2) LA 1 Project - Command and Control System Phase I MDA
 - 3) Phase II MDA – Camera networking improvements
 - 4) Multi-Agency Security Response Center
 - E. Other Port Projects**
 - 1) Martin Terminal Slip #1 Repairs
 - 2) L&L Dock#15 Bulkhead Repairs
 - F. LA 1 Highway Improvements**
 - G. Gulf of Mexico Oil Spill**
 - H. SLEC Quarterly Report**
- VI. Committee Reports
 - A. Executive Committee**
 - 1) Consider approving the termination request from Simmonds Equipment
 - 2) Consider approving the request from Daybrook Fisheries for short-term RV lease at SL Industrial Park
 - 3) Consider approving the Intergovernmental Agreement between with South Lafourche Levee District regarding Lock Operators
 - 4) Consider approving the Airport FBO proposal
 - 5) Consider approving summer employee applicants
 - B. Permits & Waterways Committee**
 - 1) Review permit applications from Apache Corporation (2); Louisiana Transportation Authority; Petrogulf Corporation; Caillouet Land Corporation; Tennessee Gas Pipeline Company (2); Maritech Resources, Inc.(2); and Loris Naquin

C. Construction & Development Committee

- 1) Consider adopting the DOTD resolution Accepting the Work for Slip B Dredging project
- 2) Consider approving the Substantial Completion Certificate from Vaisala for the Localizer project
- 3) Consider approving the Substantial Completion Certificate from Vaisala for the Distance Measuring Equipment (DME) project
- 4) Consider approving the Substantial Completion Certificate from Priority 5 Holdings for the Command and Control System

D. Finance Committee

- 1) Consider payment of April invoices and recognize expenditures over \$10,000
- 2) Consider approving the 2009 Financial Audit

VII. Any other business

VIII. Public Comment

IX. Possible Executive Session

- A. Discuss pending litigation 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"

X. Public Comment

XI. 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
May 12, 2010

The Board of Commissioners of the Greater Lafourche Port Commission met in regular session on Wednesday, May 12, 2010 at 10:30AM.

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

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

ABSENT: Donald Vizier

Upon motion by Perry Gisclair and second by Wilbert Collins, the board unanimously approved the minutes for April 14, 2010 regular meeting.

Executive Director's Report

Northern Expansion – Engineer Larry Picciola reported that Low Land completed 8 of the 14 deadman for Slip B East Bulkhead, Phase #4. Contractor is working on getting tie rods installed. They are 78% complete with 84% of time elapsed. Engineer Picciola reported that Huey Stockstill is on site surveying the site for Slip B Asphalt Dudley Bernard Road project. All the culverts are in place and they are scheduled to begin asphaltting next week. All the patching work will be done first.

Airport Projects – Airport Manager Jason Duet reported that the contractor is 70 days into the 90 day contract period for the Approach Lighting project. They may request a few weather days when they couldn't trench and pour cement. He updated the board on the aircraft operations at airport. There is an increase of 17% from last year due to American Air operating and the FBO picked up few tenants. Davie Breaux reported that the excavator is sweeping the Airport drainage canal and completed 500 ft. from the northwest corner of the property and is heading east toward LOOP. There is 4,000 ft remaining. Mr. Breaux reported that the contractor Dolphin Services is fabricating the pipe for the Pump Station Upgrade project. He expects them on site within the next few weeks. The new culverts and base material has been installed to construct Lear Drive. The base will settle before fabric and limestone is placed on top. Commissioner Guidry questioned how extensive is the upgrade to the pump station, which Mr. Breaux replied the new pump will have a new foundation, steel grading, and H-beams. The Port did change out deck boards for the existing pipe.

FEMA Projects – Director Chiasson stated that notice has been sent to Gen-Con to cancel the contract on the Bathhouse construction because of issues in obtaining a Parish permit as well as FEMA changing their position resulting in the Port elevating the building. Mr. Bryce Autin recommended the board formally terminate the contract with Gen-Con. Upon motion by John Melancon and second by Wilbert Collins, the board unanimously approved terminating the contract with Gen-Con for the Bathhouse project.

Port Security and Grant Projects – Mr. Breaux reported that the contractor is on site installing the access road, gate, and also will begin excavation to drive test piles in the next few weeks for the 400' Communications Tower and Foundation. Mrs. April Danos reported that the contractor is substantially complete as of May 7th for the LA 1 Project - Command and Control System Phase I. We are currently using this system for the oil spill. She stated that funds for the camera networking improvements Phase II are being used to complete infrastructure and analysis. The Multi-Agency Security Response Center request for qualifications for an engineer is due by May 17th.

Other Port Projects – Director Chiasson reported that the preliminary design has been reviewed for the Martin Terminal Slip #1 Repairs. We are awaiting the updated estimate from the engineer. Once this is received we will meet with Martin officials to discuss the construction of the bulkhead. We do expect this to be more expensive because of the design and the buildings that are already on site.

Mr. Breaux stated that the contractor installed 300 ft. of whaler beams and tie rods for the L&L Dock#15 Bulkhead Repairs. They are currently welding the pipe bumper on the exterior of the bulkhead and will work on the remaining 300 ft. in a few weeks. Commissioner Melancon questioned how much had to be replaced, which Mr. Breaux replied a little over 600 ft.

LA 1 Highway Improvements – The percentage of completion of Phase 1A of the LA 1 Project as of April 30th was 48.5%, with 63% of the time elapsed. The completion percentage may be adjusted upward next month by as much as 9% due to a substantial amount of materials the contractor has had fabricated ahead of time sitting in a stock yard. The contractor has started delivering pre-cast girders, caps, and pilings at night, in order to free up the gantry cranes daytime hours for the deck-formation crews to use. Mr. David Miller, DOTD's Director of Toll Facilities has informed me that installation of the two credit card kiosks in Port Fourchon and Leeville are on-hold for now due to technical challenges of adding interfaces to the main system. David is pursuing DOTD approval of a contract with a technical consultant to overcome these challenges. Concerning proposed legislation to grant free passage for residents living south of the bridge, the Coalition remains against amending the toll rate schedule in any way, because tolls would likely have to rise on thousands of other highway users.

Moving on to Phase 2: Updating you on Right-of-Way (r/w) acquisition work, DOTD informed me that out of 21 r/w ownerships within the Phase II project area, 6 have now been acquired, 13 are being negotiated, and 2 are on hold pending r/w map revisions necessitated by changes on the relocated Bollinger Canal. Concerning the Geotechnical Field Work that is being done, Ardaman & Associates is currently conducting land based Cone Petrometer Test (24) and borings (6). The cone petrometer tests save the state money by not having to do as many borings (actual drillings to acquire soil samples and characteristics). Water based cone petrometer test and borings in the r/w are scheduled to begin in June.

Concerning securing the \$4 million needed for design of the Phase II segment, I am continuing to monitor legislative approval of \$80 million of uncommitted CDBG recovery funds which will be administered by the LA Department of Economic Development as grants. The Coalition will be scheduling a meeting with Secretary Moret upon that legislative approval. Concerning securing construction funding for Phase II, the U.S. Department of Transportation just published guidelines in the federal register for their National Infrastructure Investments Grants Program. This is really a second round of the stimulus transportation grants, but no state has been awarded more than \$150 million. We will be meeting with DOTD Secretary Lebas in the coming weeks to discuss being the State DOTD's official applicant for this program, if we can convince the state to provide a needed match.

On other large bridge projects in the area, the contractor working on Caminada Bay Bridge has driven 16 of the 36" pre-cast concrete pilings to date. Again, those piling are going 150 to 160 feet down. The new Bayou Lafourche Lift-Span Bridge in Larose is 17% complete. Finally, the Coalition submitted a Letter of Support for a House Concurrent Resolution which requests the DOTD look into constructing shoulders along Highway 308 to allow for a safer highway, and we have been providing input on the Houma-Thibodaux's Metropolitan Transportation Plan for 2035 as it relates to anticipated transportation volume and needed highway improvements along the LA 1 Corridor.

Commissioner Melancon stated that it seems that Phase 1A is slowing down will they still meet the completion dated, which Mr. Boulet replied that the date has moved from September to November 2011.

Gulf of Mexico Oil Spill – Director Chiasson stated that the Port is working with the Parish, USCG, BP, and the National Guard to help in the oil spill. The Parish has the Emergency Operations Center in Mathews and the Port has the Incident Command Center in Fourchon to monitor the situation. The National Guard has helped with the breaches along the beach. There have been 242 sand bags placed near Bayou Thunder. 250 bags were filled today and there are 700 more bags requested to fill the 5

breaches identified. The amount of booms we received on site yesterday total 40,890 ft. of boom in Fourchon. There is 20,200 ft. of boom headed out of Fourchon today along the east and west sides of Belle Pass. There is 8,000 ft. of 32" boom, 1,300 ft. of 24" boom, 5,900 ft. of 36" inflatable boom, and approximately 30,000 ft. of 18" boom staged in Port. They deployed 1,000 ft. of boom inside Belle Pass yesterday and today they are going outside of Belle Pass to deploy the 20,200 ft. of boom. There are 50 people working with 12 boats and one barge. He stated that as booms arrive they are putting them in place to protect the east and west sides of Belle Pass. He stated that at all cost Port Fourchon will not be shut down it is too important to the nation and everything needed to drill the relief well is coming out of Port Fourchon.

Commissioner Cheramie stated that he went to the Port yesterday and the Port employees are doing a great job. Mr. Rod Veret with the cleanup crew has a good place to wash down boats. He stated that the board needs to see what our employees are doing with other agencies. Director Chiasson stated that all the agencies are working well together. The sheriff's office is also down there helping with traffic and having trustee workers there. The police are stopping traffic while the helicopters are passing over the roadway. He stated that it didn't look good up until yesterday morning as far as receiving booms, but we need to give them credit now for stepping up and having these measures in place.

Director Chiasson recognized Cathy Norman with Wisner to address the board. Ms. Norman stated that she is glad to hear it is moving forward. She had the opportunity yesterday to fly over the area which she video taped and was able to give that to update the command system in Port. She is impressed with the response and glad of the response from the Parish and the Port is there to protect this property.

Commissioner Lafont questioned where is the oil at now, which Director Chiasson stated that as of yesterday there was a light silvery sheen 2 miles off the coast of Fourchon moving west. We need to be prepared for weather patterns to change and we will continue to monitor the situation.

SLEC Quarterly Report – Vic Lafont stated that he has been working with the Parish and there is a Gulf of Mexico Oil Spill link on the SLEC website. He stated that his work will be mostly after the oil spill is done and how it will affect the tenants and workers in Port. BP already spent \$350 million on the clean up mostly in south Louisiana and it is predicted to be as much as \$1 billion. There is currently 4% unemployment rate in this area however the concern is the long term economic effect and what happens to our fisherman. The quantity of the dispersements has never been used before and we are unsure of what effects this will do on our seafood. There is a meeting today at 5pm for the Lafourche Parish fishermen at the Larose Civic Center. Food stamps, workforce commission, and SBA Loans have already set up locations in this area. We are also trying to get a claims office set up at the S.L. Library. He stated that there is already damage nationwide with oysters and other Louisiana products. If anyone needs assistance please direct them to the SLEC office or to the website.

He stated that on another note today the Governor has asked the four education systems to submit cuts up to \$300 million in the education system. These systems decided on a 30% cut across the board however one of the proposals is to shut down Nicholls State University. We heard this before however we can't have this happen Nicholls is as important to this region as Fourchon is to the workforce.

The quarterly report submitted to the board identifies the major economic drivers, keeping track on expansions in the entire region by parish, planned infrastructure, inventory of industrial and commercial buildings and sites on LA 3235 (possible commercial malls and industrial parks), and inventory of educational and training assets.

In closing, a survey was done to construct an all purpose building in Fourchon for training/housing. The survey questioned if tenants are satisfied with port services and needs, if certain skills are needed, if multi agency facility is needed to office SLEC, SBA, Chamber, or the Parish. The results indicate that each individual company can provide these services and a separate facility is not needed.

Commissioner Collins concerned about the dispersements being sprayed and that there is no real study of long term effects on the seafood, which Director Chiasson stated that the Attorney General is trying to file a lawsuit to stop the dispersements since the effects are unknown. Mr. Lafont stated that

there is even a health concern right now because we don't know what this will do. Commissioner Collins stated that the Governor gave orders to open Davis Pond which will affect all the oyster beds in the area. Commissioner Gisclair stated that after this happens SLEC will be important as far as fisheries and where they need to go to get help. He encouraged all fishermen to attend the meeting because many of them will be looking for answers and direction once this is over with. Mr. Lafont stated a possible business hot line or center to answer questions and concerns may need to be set up.

Committee Reports

Executive Committee - Chairman Griffin reported that the committee met on April 28, 2010 at the Operations Building in Fourchon. Present was Larry Griffin and John Melancon. Jimmy Lafont and Wilbert Collins were absent. The commission also met on May 10, 2010 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 Jimmy Lafont, the board unanimously approved the termination request from Simmonds Equipment subject to the 90 day requirement unless another company leases the property prior to the 90 day deadline.

Upon motion by Jimmy Lafont and second by Ervin Bruce, the board voted to approve the request from David Hare with Daybrook Fisheries for a short-term RV lease at S.L. Industrial Park which resulted in 7 yeas, 1 absent by Vizier and 1 nay by Cheramie. Commissioner Cheramie stated that he is not in favor of RV's at the airport only mobile homes.

President Griffin presented to the board to consider approving the Intergovernmental Agreement between with South Lafourche Levee District (SLLD) regarding Lock Operators. Director Chiasson stated that Mr. Callais with the SLLD contracted him and requested no action to be taken at this time until further discussion. The board then took no action on this item.

Upon motion by John Melancon and second by Jimmy Guidry, the board unanimously approved the Airport FBO lease proposal from GAO FBO Services to operate the Airport Terminal site. This is the same company currently running the Airport Terminal. Mr. Duet stated that this was the only proposal submitted. The rental slightly exceeds the minimum rates requested.

President Griffin presented to the board to accept the summer employee applicants. There will be 5 roustabouts and 1 clerical position chosen. The 2 leaders chosen by the Maintenance Dept. are Hobie Leger and Michael Doucet. The other 3 applicants chosen are Russ Cheramie, Benjamin Duet, and Christopher Curole. The alternates were then chosen as follows: Alt#1 Ryan Collins, Alt#2 Caden Cheramie, Alt#3 Russ Vegas, Alt#4 Joseph Verdin, Alt#5 Chandler Guidroz, Alt#6 Eric Collins. The board then chose the one clerical position which is Kelsie Terrebonne. The clerical alternates are as follows: Alt#1 Kelsi Guidry, Alt#2 Becca Thibodaux, Alt#3 Kalya Pizani, Alt#4 Katie Collins, Alt#5 Adrienne Rousse, Alt#6 Beth Barilleaux, Alt#7 Maggie Duet, Alt#8 Emilee Pitre, Alt#9 Alisha Bruce, Alt#10 Karissa Sam.

Permits & Waterways Committee - Chairman Cheramie reported that the committee met on April 28, 2010 at the Operations Building in Fourchon. Present were Larry Griffin and Perry Gisclair. Chuckie Cheramie and Jimmy Lafont were absent. The committee also met on May 10, 2010 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 the applications from Apache Corporation; Louisiana Transportation Authority; Petrogulf Corporation; Caillouet Land Corporation; Tennessee Gas Pipeline Company; Maritech Resources, Inc.; and Loris Naquin. Chairman Cheramie concerned about Mr. Naquin's permit regarding the earthen plug closing off Bayou L'eau Bleu. Mr. Joe Picciola replied that Bayou L'eau Bleu turns and there is a slip going into the Intracoastal near the bridge. This permit is to close off the little slip where they intersect so the salt water doesn't get to his trees near that little section of Bayou Blue.

Mr. Davie Breaux reported that the USCG is putting up day markers in Havoline and Timbalier Bay today.

Construction & Development Committee - Chairman Bruce reported that the committee met on April 28, 2010 at the Operations Building in Galliano. Present were Ervin Bruce, Larry Griffin, Donald Vizier, and John Melancon. The committee also met on May 10, 2010 at the Administration Building in Galliano. All members were present. Commission then discussed items that were discussed at the committee meetings.

Upon motion by Ervin Bruce and second by Chuckie Cheramie, the board unanimously adopted the DOTD resolution Accepting the Work for Slip B Dredging project (C0904).

Upon motion by Ervin Bruce and second by John Melancon, the board unanimously approved the Substantial Completion Certificate dated March 26, 2010 from Vaisala for the Localizer.

Upon motion by Ervin Bruce and second by Jimmy Lafont, the board unanimously approved the Substantial Completion Certificate dated March 26, 2010 from Vaisala for the Distance Measuring Equipment (DME) project.

Upon motion by Ervin Bruce and second by Jimmy Guidry, the board unanimously approved the Substantial Completion Certificate dated May 9, 2010 from Priority 5 Holdings for the Command and Control System.

Finance Committee - Chairman Melancon reported that the committee met on April 28, 2010 at the Operations Building in Fourchon. Present was John Melancon, Larry Griffin, and Jimmy Guidry. Wilbert Collins was absent. The committee also met on May 10, 2010 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 April invoices and recognized expenditures over \$10,000.

Chairman Melancon presented for the board's consideration the 2009 Audited Financial Statements. Mr. Mark Felger, CPA with Lanaux & 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. There were no significant deficiencies in internal controls. Some financial highlights are: \$146.2 million of net assets which is an 18% increase from last year, \$17.3 million of operating revenues a .4% increase, \$29.6 million of cash a 74% increase (advanced improvement rentals paid), \$4.4 million of operating profits a 5% decrease (new accounting standard for post employment retirement benefits), \$7 million of net income before capital grants a 54% increase, \$14.9 million of capital grants and \$1.8 million of maintenance grants. The total revenue and capital additions by source are identified by 47.1% self generated fees, 40.5% state and federal capital construction grants, 7.2% of ad valorem taxes, 4.8% of state and federal operating disaster grants, and .4% other. The total expenses and other uses of funds are identified as 58% capital construction and purchase of equipment, 12% salaries & benefits, 10% depreciation and disposal of assets, 8% lease expenses, 6% of hurricane damage repairs, 4% maintenance and operations of facilities, and 2% other operating expenses.

Mr. Felger then presented a comparison chart to other ports of similar size to Fourchon such as Iberia, Lake Charles, St. Bernard, and Baton Rouge. This resulted in total assets ranked Fourchon in the middle. The operating profit margin ranked Fourchon most profitable generating a margin of 27% in excess of cost since the other ports are dependent on other sources to operate. The final comparison was operating revenues/net capital assets which Fourchon ranked the highest with 16% of return investment by utilizing assets construed to generate revenues for port growth. Mr. Felger stated that the Port is overall financially strong position of growth and not experiencing any financial difficulties. Mr. Felger thanked the staff for their cooperation with the audit process. Upon motion by John Melancon and second by Wilbert Collins, the board unanimously approved the 2009 Financial Statement Audit report.

Mr. Rome reminded the board that their financial disclosures are due by Saturday, May 15th.

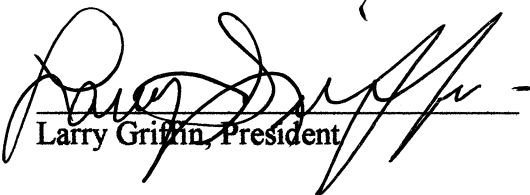
President Griffin opened the floor to any other business. Mr. Al Danos stated that Chett and Charlotte met with Jim Caillouet last week to discuss the swap agreement. He stated that Mr. Caillouet agreed with the concept of the swap of east/west area however there are some stipulations are still being discussed. At the Parish meeting last night there was no final answer on the insurance issue regarding the beach. He invited the board to the South Lafourche Beachfront Development (SLBDD) meeting tonight in which they will be discussing the strategic plan from LA 3090 to Belle Pass. He reminded the board that there is a meeting scheduled on May 20th at 6:00 pm at the GLPC Administration Building to discuss the Caillouet permit and invited the board to attend and testify. He stated that the SLBDD supports the work of the Port and Parish for cleanup effort in this oil spill.

President Griffin presented to the board to enter into an Executive Session. Mr. Autin recommended the executive session to update the board on the litigation 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*". Upon motion by Chuckie Cheramie and second by John Melancon, a two-thirds roll call vote was taken which resulted in 8 yeas by Cheramie, Gisclair, Lafont, Collins, Melancon, Griffin, Guidry, Bruce and 1 absent by Vizier. The board then returned from the session.

President Griffin then introduced the Port's new in-house engineer, Ms. Laurie Swanson. Ms. Swanson stated that she thanked the board for this opportunity and looks forward to working with them and getting up to speed on the various projects going on. The board welcomed Ms. Swanson.

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

ATTEST:


Larry Griffin, President


Wilbert Collins, Secretary