

PRELIMINARY AGENDA

August 14, 1996

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1. Call to Order
2. Roll Call
3. Pledge of Allegiance
4. Approval of minutes of July 10, 1996 Board Meeting
5. Committee Reports:
  - I. Executive:
    - a. Approve sublease between Martin Terminal and Deepwater Port
    - b. Approve the issuance of \$3.3 million dollar Port Revenue Bonds
  - II. Legal, Permits, Waterways:
    - a. Letter of No Objections
  - III. Construction & Development:
  - IV. Finance:
    - a. July Invoices
    - b. Financial Report
6. Executive Director's Report
  - a. Warehouse Facility
  - b. Multi-Use Dock Extension
  - c. E-Slip Bulkhead
7. Any other business
8. Adjournment

OFFICIAL PROCEEDINGS OF THE GREATER LAFOURCHE PORT COMMISSION  
AUGUST 14, 1996

The Board of Commissioners of the Greater Lafourche Port Commission met in regular session in the Conference Room of the Commission Administration Building in Galliano, Louisiana, on Wednesday, August 14, 1996, at 10:30 AM pursuant to the provision of due notice in writing to each and every member thereof and duly posted in the manner prescribed by law.

President Doucet called the meeting to order and requested that Secretary Cheramie call the roll.

PRESENT: Harrison Cheramie, Jr., Rodney J. Terrebonne, Vinton J. Crosby, Johnny Melancon, Robert M. Champagne, Donald J. Vizier, Dudley A. Bernard, and Larry Griffin

ABSENT: None

Also present were Ted M. Falgout, Executive Director; Davie J. Breaux, Assistant Director; John J. Plaisance, Marco J. Picciola and Larry J. Picciola, Port Engineers; Loulan Pitre, Port Attorney; Gerald A. Guidry, Harbor Police Chief; and Louverda A. Duet, Port Secretary.

President Doucet led the Board in the recitation of the Pledge of Allegiance.

Upon motion by Harrison Cheramie, Jr., seconded by Robert M. Champagne, and unanimously passed, the minutes of the July 10, 1996 regular meeting were approved.

EXECUTIVE COMMITTEE:

In connection with the \$3.3 million revenue bonds, President Doucet called upon Mr. Hugh Martin with Foley & Judell, Bond Attorneys, who stated that the federal tax laws require that a public hearing be held in connection with the issuance and approval of these bonds. The Commission has held that hearing and all requirements have been met. Therefore, he recommends that the Board adopt a resolution approving the issuance of the bonds. Upon motion by Dudley Bernard, seconded by Larry J. Griffin and unanimously passed, the following resolution was adopted:

A resolution approving the issuance of not exceeding \$3,300,000.00 of Greater Lafourche Port Commission of the State of Louisiana Port Facility Revenue Bonds (Port Fourchon Development), Series 1996; and providing the other matters in connection therewith.

WHEREAS, the provisions of Section 215 of the Tax Equity and Fiscal Responsibility Act of 1982 ("TEFRA") and Section 147 (f) of the Internal Revenue Code of 1986, as amended (the "Code"), require that an applicable elected representative of a governmental unit approve the issuance of revenue bonds after a public hearing following reasonable public notice; and

WHEREAS, the Greater Lafourche Port Commission of the State of Louisiana (the "Port Commission") authorized the publication of a notice of public hearing relating to the approval of the issuance, sale and delivery of not exceeding \$3,300,000 of its Port Facility Revenue bonds (Port Fourchon Development), Series 1996 (the "Bonds"), for the purpose of financing an expansion project at the Port Commission's port facilities located in Port Fourchon, Louisiana, consisting of an expansion of its E-Slip and the acquisition, construction and installation of a bulkhead system together with necessary dredging and engineering (the "Project"), located at the E-Slip Development of the Greater Lafourche Port Commission at Port Fourchon in south Lafourche Parish, Louisiana, which is bounded by LA HWY 3090 on the East, N. J. Theriot Road on the North, A. J. Estay Road on the South and Bayou Lafourche on the West; and

WHEREAS, the Project is owned and operated by the Port Commission and will be used by oil and gas service companies in their trades or businesses; and

WHEREAS, said notice was published on June 26, 1996 in The Daily Comet, a newspaper of general circulation in Lafourche Parish, Louisiana, in a manner sufficient to inform the public and potential competitors of the subject, date and place of such public hearing; and

WHEREAS, pursuant to the terms of said notice, Ted M. Falgout, designee of the President of the Port Commission, held a public hearing on behalf of the Port commission at 16819 East Main Street, Galliano, Louisiana, on Wednesday, July 17, 1996, at 10:00 AM, at which the public was given an opportunity to be heard and at which no objections were received; and

WHEREAS, the Board of Commissioners of the Greater Lafourche Port Commission is an elected legislative body in Lafourche Parish and desires to approve the issuance of the Bonds in accordance with the aforesaid TEFRA and Code requirements;

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Greater Lafourche Port Commission of the State of Louisiana, acting as the governing authority of said Port Commission:

SECTION 1. That in accordance with the provisions of Section 215 of TEFRA and Section 147 (f) of the Code, there is hereby approved the issuance of the Bonds described in the second paragraph of the preamble to this resolution for the purpose set forth therein.

SECTION 2. That the President and Secretary of the Port Commission be and they are hereby authorized and empowered to do all acts, sign any and all instruments or documents, and do all things necessary and proper in order to carry out the purposes of this resolution.

Continuing, President Doucet stated that Campbell Wells has requested that the Board approve the assignment of its leases to Newpark Resources. Upon motion by Larry J. Griffin, seconded by Robert M. Champagne, and unanimously passed, the Board of Commissioners does hereby approve the Assignment of Lease by Campbell Wells, Ltd. To Newpark Resources, Inc. on such terms and conditions as contained in said Assignment.

President Doucet informed the Board that the Right of First Refusal granted to John W. Stone Oil Distributor will expire on August 15<sup>th</sup>, and John W. Stone has informed the Commission that they desire to extend this right for an additional six months for a consideration of \$5,000.00. Upon motion by Robert M. Champagne, seconded by Rodney J. Terrebonne and unanimously passed, the Board of Commissioners does hereby approve the Right of First Refusal to John W. Stone Oil Distributor, Inc. for a consideration of \$5,000.00, on such terms and conditions as contained in said document, and does hereby authorize Ted M. Falgout, Executive Director, to execute any and all document necessary to effectuate said right.

President Doucet recognized Port Attorney Loulan Pitre, who stated that he had merged his practice with Mr. Edmond Deramee, who addressed the Board. They have hired Mr. Shawn Richard as their associate, and will have offices in Cut Off and Thibodaux.

#### LEGAL, PERMITS & WATERWAYS:

Upon motion by Robert M. Champagne, seconded by Larry J. Griffin, and unanimously passed, the Board of Commissioners does hereby approve sending letters of no objection to the following applicants:

Gayla Resources, Inc.

In connection with this request, Director Falgout explained to the Board that this project was adjacent to the Boat Launch. Gayla wants to locate a houseboat with rooms for rent and a small restaurant. The property is owned by LL&E and there are high quality wetlands between the site and the highway. He explained that other agencies were evaluating the request with regard to its impact on the marsh and that as far as navigation and impact on the port were concerns, he felt that the permit request should be approved providing that it is clearly understood that parking will not be allowed on the highway right-of-way. Further discussion followed.

#### CONSTRUCTION & DEVELOPMENT:

Chairman Bernard stated that a request had been received form Martin Terminal to sublease a portion of Deepwater Port Services property at the Port. Director Falgout explained that Martin needed additional warehouse space and Deepwater Port was willing to sublease that space. Upon motion by Dudley Bernard, seconded by Donald J. Vizier and unanimously passed, the Board of Commissioners does hereby approve the sublease by Deepwater Port Services, Inc. to Martin Terminal, Inc., on such terms and conditions as contained therein, and does hereby authorize Tomey J. Doucet, President, to execute any and all documents necessary to effectuate said sublease.

Chairman Bernard stated that Martin Terminal is requesting to lease additional property adjacent to their lease site. Director Falgout explained that Martin is looking to relocate a tank to an existing lease site and needs the additional property to construct retainer levees. They need approximately 150' x 200' of property. Upon motion by Dudley Bernard, seconded by Robert M. Champagne, and unanimously passed, the Board of Commissioners does hereby approve leasing additional property to Martin Terminal, Inc., on such terms and conditions as contained in said lease, and does hereby authorize Tomey J. Doucet, President, to execute any and all document necessary to effectuate said lease.

#### FINANCE:

Upon motion by Donald J. Vizier, seconded by Johnny Melancon and unanimously passed, the Board of Commissioners does hereby authorize payment of all invoices received the previous month.

Upon motion by Donald J. Vizier, seconded by Harrison Cheramie, J. and unanimously passed, the Board of Commissioners does hereby approve the financial report for July, 1996.

Upon motion by Donald J. Vizier, seconded by Johnny Melancon and unanimously passed, the Board of Commissioners does hereby approve payment of the invoice from Coastal Bridge Company in the amount of \$10,200.00.

Upon motion by Donald J. Vizier, seconded by Rodney J. Terrebonne and unanimously passed, the Board of Commissioners does hereby approve payment of the invoice from Team Services, Inc. in the amount of \$33,067.63.

#### EXECUTIVE DIRECTOR'S REPORT:

Commencing his report, Director Falgout called upon the port engineers for reports on the various ongoing projects:

E-SLIP EXPANSION - Mr. John Plaisance reported that bids will be received and opened on September 5<sup>th</sup> in connection with the bulkhead portion of the project, which may be awarded at the September 11<sup>th</sup> meeting. Discussion followed in connection with placement of the spoil.

WAREHOUSE - Mr. Plaisance stated DOTD is in the process of completing the paperwork to close out this project.

MULTI-USE DOCK EXTENSION, PHASE I - Mr. Marco Picciola stated that the lien period expired on July 15<sup>th</sup>, and DOTD is processing the final paperwork.

MULTI-USE DOCK EXTENSION, PHASE II - Mr. Picciola stated that this project is in the lien period, which expires on August 23<sup>rd</sup>. He stated that there are some loose ends to tie up, which will be completed this month. Director Falgout inquired about that portion of the road which was not surfaced due to C-Port using it to bring equipment and other materials to their lease site. Mr. Picciola stated that the contractor had stockpiled the material and filter cloth, and it was his understanding that C-Port would have the road surfaced upon completion of their construction. Director Falgout stated that C-Port now needs the entire road surfaced to the rear of their lease site. He is obtaining cost estimates to surface the rear of their lease site. He is obtaining cost estimates to surface the entire road and the first 300' (the project) can be surfaced at the same time. Mr. Picciola stated that this matter will be addressed this month with further discussions with Director Falgout and Asst. Director Breaux. Discussion followed.

E-SLIP BULKHEAD - Mr. Larry Picciola stated that the contractor is doing the necessary touch up painting on the bulkhead and depending on the weather, should be finished next week. He explained to the Board the final payments and retainages, and stated that a lien may be filed on the project. He is working to complete the paperwork, and presented Change Order #1 (an adjustment in quantities), for approval. This will reduce the contract by over \$73,000. Mr. Picciola stated that even though substantial completion was approved by the Board at the last meeting, he will not exercise that authority until all paperwork has been completed. Discussion followed. Upon motion by Johnny Melancon, seconded by Rodney J. Terrebonne and unanimously passed, the Board of Commissioners does hereby approve Change Order #1 in connection with the "E-SLIP BULKHEAD" project.

Continuing, Director Falgout reported that the Commission had received approval for a \$20,000 grant from DNR (50% match) to be used for dust control on the Fourchon Beach access road. Director Falgout stated that the parish has agreed to allow the use of their dust control equipment, which the Commission will use as its in-kind match. He further stated that should Chevron be willing to participate in the funding, then the road could be asphalted. Discussion followed.

In connection with the airport feasibility study, Director Falgout stated that he was continuing to gather information. He will be speaking before the Parish Council at their next meeting in connection with this matter.

Director Falgout stated that in trying to gather statistics about happenings at the Port, the Commission purchased a traffic counter to count vehicles coming to and from the area. The counter was placed South of Golden Meadow on LA 1, and in a 14-day period an average of 7,086 vehicles per day passed this area. This information will be helpful in getting an improved highway system. Director Falgout also reported that Chief Guidry and his staff were instrumental in getting tonnage reports from lessees and port users. In June, approximately 18,000,000 tons of cargo came in and out of the Port; in July, approximately 23,000,000 tons. This cargo was transported by water and highway. He further stated that 35,000,000 gallons of water was used and approximately 21,000 tons of fuel was transported in and out. Director Falgout further stated that Minerals Management Service will conduct a study of the economic impact of outer continental shelf exploration on shore base ports, using Port Fourchon as an example. Discussion followed. Director Falgout also stated that a survey was taken and showed 1700 vehicles in the Port on one night, and in July over 10,000 personnel were involved in crew changes.

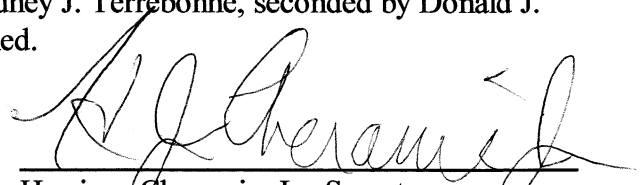
OTHER BUSINESS:

Board Member Terrebonne stated that he had received reports of a shallow area near the Pool facility in the E-Slip. Director Falgout stated that when the Commission gets a hydraulic dredge, this problem, along with any others, will be addressed.

There being no further business, upon motion by Rodney J. Terrebonne, seconded by Donald J. Vizier, and unanimously passed, the meeting adjourned.

ATTEST:

  
Tomey J. Doucet, President

  
Harrison Cheramie, Jr., Secretary