

AGENDA
August 11, 2004

- I. Call to Order
- II. Pledge of Allegiance
- III. Roll Call
- IV. Consider July 14, 2004 Regular Meeting Minutes for approval
- V. Executive Director's Report
 - A. **Northern Expansion Update**
 - a. Construction status:
 - i. Slip A, Bulkhead – John Plaisance
 - ii. Bernard Street Waterline Extension – John Plaisance
 - iii. Slip B, Dredging – Larry Picciola
 - iv. Slip B, West Bulkhead – Joe Picciola
 - B. **Airport Update**
 - a. Project status:
 - i. Hangar Construction
 - ii. Environmental Assessment
 - C. **FEMA Update**
 - a. Emergency Boat Launch
 - D. **Port Security**
 - a. Security Camera System
 - b. Boat Lift
 - E. **Highway Improvements**
- VI. Committee Reports
 - A. **Executive Committee**
 - a. Consider naming Executive Director Falgout accredited delegate for the AAPA Annual Convention
 - b. Plaisance Dragline & Dredging Co., Inc. Bankruptcy Filing
 - c. Consider a letter of support for UBS in the managerial make up of issuance and underwriting of financing bonds for the LTA – LA 1 Toll Road project
 - B. **Permits & Waterways Committee**
 - a. Public Notices:
 - 1. BP Pipeline
 - 2. Pioneer Natural Resources USA, Inc.
 - b. Idle Zone request
 - C. **Construction and Development Committee**
 - a. DOTD Port Priority Funding for Northern Expansion
 - b. Consider accepting low bid for Pontoon Excavator
 - c. Consider accepting Change Order No. 2 for Mike Hooks dredging of Slip B
 - d. Consider accepting Change Order No. 3 for Mike Hooks final quantities
 - e. Consider request from NRCS
 - D. **Finance Committee**
 - a. Consider payment of invoices and recognize Expenditures over \$10,000
 - b. Consider approval of July 2004 Financial Statements
- VII. Public Comment
- VIII. Any other business
 - A. Consider canceling August Fourchon Committee Meeting scheduled on August 25, 2004.
 - B. Consider rescheduling September Committee Meeting to Tuesday, Sept. 7, 2004.
- IX. Adjournment

OFFICIAL PROCEEDINGS OF THE GREATER LAFOURCHE PORT COMMISSION
August 11, 2004

The Board of Commissioners of the Greater Lafourche Port Commission met in regular session on Wednesday, August 11, 2004 at 10:30 AM.

President Vizier called the meeting to order, and Secretary Cheramie called the roll.

PRESENT: Donald Vizier, John Melancon, Larry Griffin, Harry Cheramie, Ervin Bruce, and Jimmy Lafont

ABSENT: Wilbert Collins, Beau Martin, and Chuckie Cheramie

Upon motion by Harry Cheramie and second by Larry Griffin, the minutes of the July 14, 2004, regular meeting were unanimously approved.

Executive Director's Report

Northern Expansion – Engineer John Plaisance reported that he attended a meeting with Lanier Engineers and the Shaw Group regarding the repairs to Slip A Bulkhead. He stated that a decision was made regarding the design criteria to follow for developing a final design to repair the bulkhead. He estimates that by the end of the month there should be a design plan available for the Commission's review. Engineer Plaisance reported that the placement of the waterline along Dudley Bernard Road drifted west during construction into a section of the road base. He stated that the options are for the contractor to relocate 400' of waterline and for the Commission to move the road base a foot over or for the contractor to relocate 1,000' of waterline to adhere to the specs in the design plan. Discussion followed regarding any possible problems surrounding the relocation of the waterline. It was recommended by the board to send a letter demanding the contractor relocate the 1,000' section of waterline within a specified time period. The estimated cost to relocate the waterline is \$25,000, which can be accomplished within a few weeks.

President Vizier recognized Commissioners Chuckie Cheramie and Beau Martin's attendance in the meeting.

Representing Larry J. Picciola Engineers, Inc., Mr. Neil Angelette reported that the Slip B Dredge project is complete. He stated that there are 2 change orders for approval today and the substantial completion will be submitted for next month's meeting. Engineer Joe Picciola reported that they are in the process of revising the specifications onto the new DOTD forms for the Slip B Bulkhead. He stated that they are also investigating the estimated amounts with the Geotechnical Engineer to try to decrease the cost of the bulkhead where it is applicable.

Airport – Engineer Joe Picciola reported that the contractor is willing to complete the remaining items on the punch list provided they receive the retainage check of \$2,400.00 when they arrive on site. He stated a meeting is scheduled today with Lamar Contractors to discuss the job. Director Falgout reported that the Environmental Assessment is in the Public Notice period with 30 days to receive comments. After the specified period, all comments will be reviewed and if there are serious concerns regarding the EA a public hearing will be called.

FEMA – Mr. Breaux reported that the Emergency Boat Launch bids were accepted upon conditional the approval of FEMA matching 75% of the funding. He reported that FEMA was contacted and stated that the participation agreement should be received soon. The project is ready for construction as soon as this agreement is received from FEMA.

Port Security – Communications Specialist, Jon Callais reported that there are 4 cameras working at the Port. The camera brackets at the Latelco Tower are being replaced which is the delay for the rest of the cameras to be online. He stated that there is a meeting scheduled for the end of the month regarding a factory acceptance test for the backbone project and estimates completion at the end of September. Commissioner Larry Griffin discussed the possibility of placing a gate with guards on LA 3090 for all the companies in the Port to have security. Mr. Callais stated that this would require a certain classification from the Coast Guard to allow the Port to have one main gate on LA 3090 or 2 gates on A.J. Estay Road and N. J. Theriot Road. He stated that the feasibility is being investigated for this type of security project. Discussion followed regarding the payments to the contractor for the Camera system. President Vizier stated that Stone Oil didn't have a guard and he questioned the type of vessels that docking companies are required to have security guards and gates. Discussion followed regarding contacting Stone and the possibility of Stone leasing the end of 20th Street. Director Falgout stated that a public access facility does not require security such as the Oilfield Service dock, marina, and the public boat launch because these are un-inspected by the Coast Guard. He stated that when there is a Foreign Flag vessel docked in Slip A of the Northern Expansion a security officer is present at all times. Discussion followed regarding the grant funds for security.

Highway Improvements – Mr. Roy Francis, LA 1 Coalition, reported that work is being done on the permitting process and mitigation plan with the landowners. DOTD is involved in land rights negotiations with Burlington and Wisner for the first phase and also continues with the engineering and design plans. He stated that negotiations for the Federal loan are underway and the Federal government has hired a consultant to review the traffic counts of the toll study. It will be determined at some point the projected growth of traffic and how much revenue can be generated from tolls. The state is in the process of getting proposals of investment banking firms to facilitate this project with the bond sale and the TIFIA loan. Mr. Francis reported that the test pile project is complete. He stated that 9 different sites were tested and results should be received within the next 6 weeks. The test will benefit the bid proposal with the information received and should be ready to let by December or January. The bid will be for 2 separate projects, which is the construction of the Leeville bridge with the on and off ramps and the end-on-end road construction for Leeville South. He reported that the riprap project to stabilize the Leeville Bridge is almost complete. Mr. Francis stated the transportation bill has been delayed for a third time which was supposed to be completed in 2003 and they hope to take it up again in September, which may be replaced with a small project bill. Commissioner Harry Cheramie questioned the amount of funding acquired by the LA 1 Coalition. Mr. Francis stated that the LA 1 Coalition has taken in an estimated \$23 million not including private donations. He reported that there will be more funding from the State and Federal departments once construction begins. Attorney Loulan Pitre reported on the 5 projects up for construction in the area which are: LA 3235 overlay from Bason's Marina to Golden Meadow construction should begin within the next several weeks; LA 1 from McDonald's to the Intracoastal which will let in September with construction in early 2005; LA 24 from Larose to Terrebonne Parish line will let in September with construction in early 2005; LA 1 from LA 3235 Golden Meadow to Leeville will let in December with construction in the Spring of 2005; and the new bridge in Larose over Bayou Lafourche at the Larose Link will let in October with construction in July 2005. He also stated that the resurfacing of LA 3090 is not on this priority list and should be done by DOTD maintenance. Director of Operations, Mr. Breaux reported that there was a pre-construction meeting at the site of the Boat Lift project. He stated that it was determined by the contractor to reduce the price for shorter piles because of the height variance of the vessel. He reported that there is a few agencies interested in occupying boat lift space, which may show potential to build more lifts to lease out.

Director Falgout welcomed Senator Craig Romero who has been involved in the oil and gas industry. Senator Romero thanked the board and announced that over 4 years ago he got involved in the push for rigs to be repaired in Louisiana. He stated that rigs from the Gulf of Mexico were being repaired in

Texas, Mississippi, and Alabama, which over a 5-year period accumulated over \$1.2 Billion because of the tax exemption status in those states. He pushed for the legislation of Amendment No. 8 which allowed rigs to come to Louisiana for repair and be exempt from taxes. He stated that he along with the President of Diamond Offshore, Mr. Larry Dickerson, toured the Port today. Mr. Dickerson addressed the board and stated that the legislation of Amendment No. 8 shows great promise for Fourchon and this area. He stated that Diamond has 45 rigs worldwide and operates 22 rigs in the Gulf of Mexico. Diamond Offshore refurbishes and upgrades their equipment rather than building new equipment, and Port Fourchon is conveniently located for these repairs with its close proximity to the Gulf. He stated that a large-scale shipyard and dry dock would be necessary to adequately service their rigs. Although the port's channel is deep enough to handle a number of jobs that Diamond could bring into Port Fourchon, a deeper draft could facilitate larger jobs. He stated that he was very impressed with the size of the slips and bulkheading at the Port facilities. Mr. Dickerson complimented Mrs. Addie Callais for the very informative tour of this world-class Port. Director Falgout stated that over time we will hopefully develop the infrastructure necessary to attract a dry dock to accommodate rig repair and obtain from the Corp approval for a 50-foot channel.

Committee Reports

Executive – Chairman Donald Vizier reported that the committee met on July 28, 2004 at the Operations Building in Port Fourchon. Present were Donald Vizier, Jimmy Lafont, Harry Cheramie and John Melancon; all members were present. They also met on August 9, 2004 at the Administration Building in Galliano. All members were present. The Commission then discussed items that were discussed at the Committee meetings.

President Vizier presented for the board Plaisance Dragline and Dredging Company, Inc.'s Bankruptcy Chapter 11 Filing. Attorney Loulan Pitre reported that this does not change the terms of their lease and recommends the Commission not object to the motion to assume the lease. The board briefly discussed the motion and no action was taken.

President Vizier presented for the board a letter of support for UBS Financial Services, Inc. to participate in the managerial make up of issuance and underwriting of financing bonds for the LTA – LA 1 Toll Road project. Director Falgout stated that this letter recognizes the work that Citigroup has accomplished and recommends UBS to be considered a significant partner in this project. He stated that the President will sign this recommendation and no action needs to be taken by the board.

Permits & Waterways – Chairman Chuckie Cheramie reported that the committee met on July 28, 2004 at the Operations Building in Port Fourchon; present were Chuckie Cheramie, Beau Martin, Jimmy Lafont, and Donald Vizier; all members were present. The committee also met on August 9, 2004 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 to the board the public notices received from BP Pipeline and Pioneer Natural Resources USA, Inc. There are no concerns with these permits therefore no action needs to be taken.

Chairman Cheramie presented to the board the request for an idle only zone along the Flotation Canal. President Vizier reported that he was unable to meet with all of the landowners in that area and would like to table this until next month's meeting. Upon motion by Donald Vizier and second by Chuckie Cheramie, the motion to table this request was unanimously passed.

Construction & Development – Chairman Ervin Bruce reported that the committee met on July 28, 2004 at the Operations Building in Port Fourchon; Ervin Bruce, Larry Griffin, Donald Vizier, and Wilbert Collins were present. The Commission also met on August 9, 2004 at the Administration Building in Galliano; Wilbert Collins was absent. The Commission then discussed items that were discussed at the committee meetings.

Chairman Bruce presented the DOTD's Port Priority Program notification of \$3 million of funding for 2 Northern Expansion projects. Director Falgout stated that over the next 3 years, the

estimated construction cost is \$18.5 million which 90% will be funded by this program. He stated that there is no action necessary from the Commission at this time and the agreement should be received soon for execution. Commissioner Melancon commended Director Falgout and the Port Staff for being successful in getting the funding for these projects.

Chairman Bruce presented for the board to accept the low bid for the Pontoon Excavator. Director Falgout reported that the bids were opened on Monday, but there is some concern of whether the machine meets all of the specifications that were established. Engineer Larry Picciola recommended holding the bids under consideration until next month's meeting.

Chairman Bruce presented for the board Change Order No. 2 for Mike Hooks Dredging. Director Falgout stated that this represents the additional dredging work done by the Port, which totals \$87,460.80. Upon motion by Jimmy Lafont and second by Harry Cheramie, Change Order No. 2 was unanimously accepted.

Chairman Bruce presented for the board Change Order No. 3 for Mike Hooks Dredging. Director Falgout stated that this represents the additional dredging up to 25% of the contract price and beyond, which totals \$259,147.54. Upon motion by Ervin Bruce and second by John Melancon, Change Order No. 3 was unanimously accepted.

Chairman Bruce presented for the board's consideration a request from NRCS to amend its lease. Director Falgout reported that this is a modification of their existing lease at the EGM Farm to reduce the property size near the levee and add additional space behind their building to accommodate a security fence. Upon motion by Chuckie Cheramie and second by Harry Cheramie, the motion to amend the lease was unanimously approved.

Finance – Chairman John Melancon reported that the committee met on July 28, 2004 at the Operations Building in Port Fourchon. Larry Griffin, Wilbert Collins, Donald Vizier, and John Melancon were present. The Committee also met on August 9, 2004 at the Administration Building in Galliano; Wilbert Collins was absent. The Commission then discussed items that were discussed at the committee meetings.

Chairman John Melancon made a motion to approve the invoices for the month of July 2004, which was seconded by Ervin Bruce, and unanimously approved.

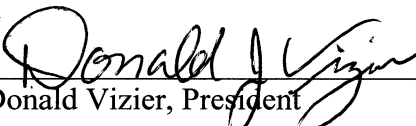
Chairman John Melancon presented the July financial statement for approval. Upon motion by John Melancon and second by Harry Cheramie, the financial statement was unanimously approved.

Upon motion by Donald Vizier and second by Larry Griffin, the board unanimously approved to cancel the August Fourchon Committee meeting scheduled for August 25, 2004.

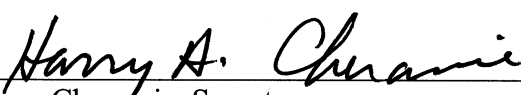
Upon motion by John Melancon and second by Beau Martin, the board unanimously approved to reschedule the September Committee meeting to Tuesday, September 7, 2004.

Upon motion by Larry Griffin, second by Chuckie Cheramie, and unanimous approval, the meeting was adjourned.

ATTEST:



Donald Vizier, President



Harry Cheramie, Secretary