

AGENDA
September 8, 2004

- I. Call to Order
- II. Pledge of Allegiance
- III. Roll Call
- IV. Consider August 11, 2004 Regular Meeting Minutes for approval
- V. Consider August 18, 2004 Special Meeting Minutes for approval
- VI. 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 John W. Stone Oil's request to lease the end of 20th Street
 - b. Consider relocating the Oilfield Service dock and leasing it to John W. Stone Oil
 - c. Consider adopting Strategic Plan
 - B. **Permits & Waterways Committee**
 - a. Public Notices:
 - 1. Shell Pipeline Company, LP
 - 2. Greg Drinkwater
 - 3. Roger Blanchard
 - 4. James A. Whitson, Jr.
 - 5. Abdon Callais Offshore, LLC
 - b. Idle Zone request
 - C. **Construction and Development Committee**
 - a. Consider accepting low bid for Pontoon Excavator
 - b. Consider approving Change Order No. 1 for Boat Lift
 - c. Consider approving Revised Change Order No. 3 for Mike Hooks Dredging
 - d. Consider accepting Substantial Completion for Dredging Slip B
 - D. **Finance Committee**
 - a. Consider payment of invoices and recognize Expenditures over \$10,000
 - b. Consider approval of August 2004 Financial Statements
 - c. Consider adopting 2004 Property Tax Millage
- VII. Public Comment
- VIII. Any other business
- IX. Adjournment

OFFICIAL PROCEEDINGS OF THE GREATER LAFOURCHE PORT COMMISSION
September 8, 2004

The Board of Commissioners of the Greater Lafourche Port Commission met in regular session on Wednesday, September 8, 2004 at 10:30 AM.

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

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

ABSENT: None

Upon motion by Ervin Bruce and second by Wilbert Collins, the minutes of the August 11, 2004, regular meeting were unanimously approved.

Upon motion by John Melancon and second by Wilbert Collins, the minutes of the August 18, 2004, special meeting were unanimously approved.

Executive Director's Report

Northern Expansion – Engineer John Plaisance reported that the alternatives for repairs to Slip A Bulkhead will be presented to the board within the next few weeks. He stated that the alternatives are within the estimated cost. Director Falgout specified that time is of essence and the latest information needs to be reported to Rowan and ASCO. He stated that no action has been taken as of yet regarding the letter received from Rowan about rental payments. Rowan's letter is under review by our legal council and insurance underwriters for advice on how to legally proceed within 30 days. Engineer John Plaisance reported that the Bernard Waterline has been relocated. He stated that the Lafourche Parish Water District is doing their final testing and once approved the Water District will take over the waterline. Engineer Larry Picciola reported that Dredging of Slip B was complete. He stated that there is a revised Change Order No. 3 and Substantial Completion Certificate for approval today. He reported that the final dredging cost is \$2,292,652.22. Engineer Joe Picciola reported that the revised plans and specifications for Slip B West Bulkhead are complete and being submitted to DOTD today. Commissioner Martin made a request to review the design plan and Mr. Picciola stated that he will present the design to the board.

Airport – Engineer Joe Picciola reported that Lamar Contractor is on site with materials to complete the remaining punch list items. He stated that the retainage check was hand delivered to them this morning. Director Falgout reported that the Environmental Assessment public notice period is complete with only a few minor comments received. He stated that GCR is writing the last chapter of the EA to send to FAA for final approval. He reported that we are anticipating FAA funding to be available and a construction contract to be awarded in February. Director Falgout reported that the construction of a 6,500 ft runway will involve the overlay of the existing 3,800 ft, which will be funded by FAA and the new construction from 3,800 ft to 6,500 ft, which will be partially funded by GLPC. Discussion followed regarding the Airport Road in need of maintenance work. Commissioner Martin requested that we look into reducing the Airport operating cost, which will be investigated further once the Strategic Plan is approved by the board.

FEMA – Mr. Breaux reported that he met last week with a FEMA representative to review the Emergency Boat Launch project. He stated that the total bid cost is \$66,376.26, which we are waiting on approval of FEMA matching 75% of the funding. It was found to be in compliance.

Port Security – Harbor Police Chief, Frank Terrebonne reported that there are 12 out of 16 cameras working at the Port. He stated that they are installing the LOOP, Chevron, and Belle Pass cameras. The contractor and engineer established a punch list of items to be completed. He stated that training on the operation of the camera system will begin next week. Mr. Breaux reported that the notice to proceed was issued for the Boat Lift and a change order is in line for approval today.

Highway Improvements – Director Falgout stated that we are closer to getting the results on the TIFIA loan application from the Federal Government. He stated that a meeting is scheduled next week in Philadelphia with the TIFIA loan committee to discuss the traffic in the Port and future projections. TIFIA hired its own firm to review the information from URS and Wilber Smith Associates. He stated that the TIFIA loan is a negotiated loan that involves many terms and conditions. The team involved in this loan application is DOTD, Citigroup, URS, LA 1 Coalition, and the Bond Council. Director Falgout reported that the test piles are complete and the results showed better than expected soil conditions, which should reduce the cost of piles. He stated that there were 5 test pile locations in the Leeville area which cost was approximately \$3 – \$4 million.

Committee Reports

Executive – Chairman Donald Vizier reported that the committee met on September 7, 2004 at the Administration Building in Galliano. Present were Donald Vizier, Jimmy Lafont, Harry Cheramie and John Melancon; no member was absent. The Commission then discussed items that were discussed at the Committee meeting.

President Vizier presented for the board's consideration a request from John W. Stone Distributors, Inc. to lease the end of 20th Street in Port Fourchon. Director Falgout reported that this is 120 feet of property, which will allow Stone to place a security guard facility at its entrance. Upon motion by Harry Cheramie and second by Wilbert Collins, the lease at the end of 20th Street was unanimously approved.

President Vizier presented for the board's consideration a request from John W. Stone Distributors, Inc. to lease the Oilfield Service Dock. Director Falgout reported that the monthly lease rental will be \$15,422.22 and the Oilfield Service dock will be relocated and duplicated on the east side of Slip A in the Northern Expansion. The construction of the new Un-Inspected Vessel Service Dock in Slip A is estimated at 30–45 days. Upon motion by Jimmy Lafont and second by Larry Griffin, the board unanimously approved John W. Stone's request to lease the Oilfield Service Dock area.

President Vizier presented for the board's consideration the Strategic Plan. Director Falgout reported that it was recommended by the Executive Committee to allow the Commissioners more time to review the plan and answer any questions. A presentation will be available once the board reviews the plan.

Permits & Waterways – Chairman Chuckie Cheramie reported that the committee met on September 7, 2004 at the Administration Building in Galliano. Present were Chuckie Cheramie, Beau Martin, Jimmy Lafont, and Donald Vizier; no member was absent. The Commission then discussed items that were discussed at the committee meeting.

Chairman Cheramie presented to the board the public notices received from James Whitson, Jr., Roger Blanchard, Abdon Callais Offshore, Greg Drinkwater and Shell Pipeline Company. There were a few concerns for James Whitson, Abdon Callais Offshore, and Roger Blanchard's permits. It was recommended that Director Falgout send letters regarding these concerns to the recipient and DNR. Discussion followed regarding the concerns for each permit.

Chairman Cheramie presented to the board the request for an idle only zone along the Flotation Canal. President Vizier recommended that we place a sign stating that No Wake Zone Violators Will Be Prosecuted.

Construction & Development – Chairman Ervin Bruce reported that the committee met on September 7, 2004 at the Administration Building in Galliano. Present were Ervin Bruce, Larry

Griffin, Donald Vizier, and Wilbert Collins; no member was absent. The Commission then discussed items that were discussed at the committee meeting.

Chairman Bruce presented bids for the Pontoon Excavator. Engineer Larry Picciola reported that the bids were received and there were discrepancies with all the bids. He recommends the board reject all bids and re-submit to be advertised. Upon motion by Chuckie Cheramie and second by Wilbert Collins, the board unanimously rejected all bids and re-bid.

Chairman Bruce presented Change Order No. 1 for the Boat Lift. Director Falgout stated that this represents a reduction of -\$826.00 by going with shorter piles. Upon motion by John Melancon and second by Ervin Bruce, Change Order No. 1 was unanimously accepted.

Chairman Bruce presented the revised 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 Wilbert Collins and second by Ervin Bruce, the revised Change Order No. 3 was unanimously accepted.

Chairman Bruce presented for approval the Substantial Completion Certificate for the Mike Hooks Dredge of Slip B. Upon motion by Larry Griffin and second by Beau Martin, the Substantial Completion Certificate was unanimously approved.

Finance – Chairman John Melancon reported that the committee met on September 7, 2004 at the Administration Building in Galliano. Present were Larry Griffin, Wilbert Collins, Donald Vizier, and John Melancon; no member was absent. The Commission then discussed items that were discussed at the committee meeting.

Chairman John Melancon made a motion to approve the invoices for the month of August 2004, which was seconded by Wilbert Collins, and unanimously approved.

Chairman John Melancon presented the August 2004 financial statement for approval. Upon motion by John Melancon and second by Wilbert Collins, the financial statement was unanimously approved.

Chairman John Melancon presented for the board to adopt the 2004 Tax Millage. Director of Finance, James Rome, stated that a roll back to 5.4 mills is recommended and will allow the Commission to receive the same amount of tax dollars as previous years. He contacted the Tax Commission and reported that the cap on the millages actually does reduce our ability to go to 7.5 mills, which prevents any tax authority from making extra money because of re-assessments. He reported that if the Port does not go to the maximum of 6.94 mills by 2007 our new ceiling will be 6.25 mills. Mr. Rome stated that if we choose to go above 5.4 mills at this time, it will require a two-thirds vote of the Commission, advertising for 30 days, and a public hearing. Discussion followed regarding the new rate and the possibility to go to the maximum of 6.94 mills in the future. Upon motion by John Melancon and second by Chuckie Cheramie, the 2004 Tax Millage was unanimously approved at 5.4 mills.

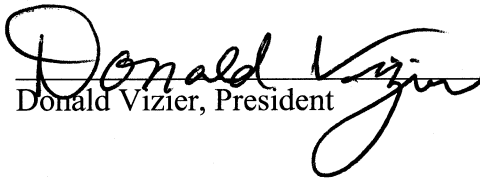
President Vizier opened the floor for public comment. Mr. Karl Boffanie with John W. Stone Oil Distributors thanked the Commission for the opportunity to expand their business. Mr. Breaux reported that the Wisner Restoration Project's 2nd Phase is being completed today. This project is rebuilding the marsh and levees across from the public boat launch in Fourchon. Director Falgout stated that Lafourche First is visiting the Port in October and the Commissioners are invited to attend. Commissioner Chuckie Cheramie stated that he would like an update from Liskow and Lewis on the progress of the investigation of the Leeville Graveyard. He also would like a discussion at the next meeting on the procedures of out of state trips by employees. President Vizier requested changing the Committee date scheduled for September 22nd in Fourchon to Monday, September 20, 2004 at 10:30 am. There were no objections to this change.

Upon motion by Beau Martin and second by Jimmy Lafont, the board took a two-thirds vote to add to the agenda the In House Counsel position which was unanimously approved. Commissioner Martin stated that he would like the board to make a definite decision to either hire or not to hire for the In House Counsel position. Discussion followed regarding the option of hiring an Assistant

Director prior to hiring in house counsel. Director Falgout stated that this was brought back to the personnel committee to make a recommendation. Commissioner Wilbert Collins made a motion to hire an Assistant Director before hiring the In House Counsel. This motion was seconded by Donald Vizier, but failed by a vote of 7 nays and 2 yeas. Upon motion by Beau Martin and second by Chuckie Cheramie, the motion to hire one of the original applicants for the In House Counsel position was approved with 8 yeas and 1 abstention. Director Falgout presented to the board the top 3 applicants for the position and will hire the In House Counsel.

Upon motion by Larry Griffin, second by Beau Martin, and unanimous approval, the meeting was adjourned.

ATTEST:


Donald Vizier, President


Harry Cheramie, Secretary