

AGENDA
December 14, 2005

- I. Call to Order
- II. Pledge of Allegiance
- III. Roll Call
- IV. Consider November 9, 2005 Regular Meeting Minutes for approval
- V. Executive Director's Report
 - A. **Northern Expansion Update**
 - a. **Construction status:**
 - i. Slip B, West Bulkhead, Project #1 – Joe Picciola
 - ii. Slip B, West Bulkhead, Project #2 – Larry Picciola
 - iii. Mooring Dolphins – Larry Picciola
 - iv. Maritime Forest Ridge
 - v. Leeville Mitigation Bucket Dredge – Larry Picciola
 - vi. Slip A, Rowan Bulkhead Repairs – John Plaisance
 - B. **Airport Update**
 - a. Project status
 - C. **Port Security**
 - a. Security Camera System
 - D. **FEMA Updates**
 - a. Wave Protection
 - b. Debris Fence along LA 3090
 - c. Katrina and Rita FEMA Claims
 - E. **Highway Improvements**
- VI. Committee Reports
 - A. **Executive Committee**
 - a. Consider approving the request from Shell Oil Company
 - b. Consider approving ASCO's request to assign lease to HOS Port, LLC
 - c. Consider request for Right of First Refusal from ETT
 - d. Consider approving the revised computer use policy
 - e. Consider approving the rates for mooring dolphin usage
 - f. Consider approving the request from VIH Helicopters to lease property at the Airport
 - B. **Permits & Waterways Committee**
 - a. Update on abandoned/sunken vessels
 - b. Permits:
 - i. James A. Whitson, Jr.
 - ii. Discover Gas Transmission, LLC
 - C. **Construction and Development Committee**
 1. Consider approving the Clear Lien with Marsh Buggies, Inc for the Pontoon Excavator
 2. Consider approving the Substantial Completion by Circle, Inc. for Rowan bulkhead repairs
 - D. **Finance Committee**
 - a. Consider payment of invoices and recognize Expenditures over \$10,000
 - b. Consider approving the November 2005 financial report
 - c. Consider approving 2006 Financial Budget
 - d. Consider approving the revised policy on official office closure
- VII. Any other business
 1. Consider changing or canceling the December 28, 2005 Committee Meeting in Fourchon.
- VIII. Public Comment
- IX. Possible Executive Session
 1. Discuss pending litigation defined as "Rowan Companies, Inc. et al v. The Greater Lafourche Port Commission, et al, Civil Action No. 05-0030 – Sec. K – Magistrate 2"
- X. Public Comment
- XI. Adjournment

Attachment

The following items may be discussed in an executive session:

- The pending litigation more specifically defined as "Rowan Companies, Inc. and Rowan Marine Services, Inc. v. The Greater Lafourche Port Commission; J. Wayne Plaisance, Inc.; Continental Construction Company, Inc.; Eustis Engineering Co., Inc.; Vulcan Construction Materials, LP; Vulcan Materials Company; and Core Industries, Inc., Civil Action No. 05-0030 – Sec. K – Magistrate 2".

OFFICIAL PROCEEDINGS OF THE GREATER LAFOURCHE PORT COMMISSION
December 14, 2005

The Board of Commissioners of the Greater Lafourche Port Commission met in regular session on Wednesday, December 14, 2005 at 10:30 AM.

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

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

ABSENT: None

Upon motion by Ervin Bruce and second by Wilbert Collins, the board unanimously approved the November 9, 2005 Regular Meeting Minutes.

Executive Director's Report

Northern Expansion Update – Engineer Joe Picciola reported that James Construction is continuing to drive timber piles for deadman on Slip B, West Bulkhead, Project #1. He stated that they were working on the steel whalers, boat bumper, and placing stone to prepare for the pouring of concrete for the deadman. Engineer Larry Picciola reported that Shavers-Whittle is on site driving piles for deadman on Slip B, West Bulkhead, Project #2. He stated that they currently have 4 concrete deadman completed. He estimates that within the next few weeks they should start driving the steel sheet bulkhead. Further discussion followed regarding the different deadman designs used for the bulkhead. Engineer Larry Picciola reported that Low Land has completed five mooring dolphins along Flotation Canal. He stated that these dolphins should be usable by the end of the week and they will continue installing the remaining four dolphins. Director Falgout reported that the Port and Low Land decided to cancel the quote from Low Land Construction to cut 2,000 ft. of material on the northern side of the Maritime Forest Ridge due to the storm damage. The Port in coordination with FEMA will remove the debris from the ridge. He stated that due to the siltation that has occurred in the Flotation Canal, the Port will have the opportunity to pump that material to the ridge to elevate the last 4,000 ft and should also have enough material to fill Mitigation Part C area. He stated that additional planting will continue on the ridge once the debris is removed. Mr. Breaux will be attending meetings regarding the impacts of storms on the ridge and the benefits that the ridge played.

Engineer Larry Picciola reported that the contracts have been sent to United Dredging to be signed for the Leeville Bucket Dredge and Mitigation project, which has a completion date of April 30, 2006. He stated that the area which will be bucket dredged has increased; therefore, another bucket dredge project along with the hydraulic dredging project is being advertised and the bids will open on January 10th. Director Falgout stated that in able to accommodate the amount of dredged spoil from the hydraulic dredging project the mitigation size has doubled and the spoil placement will further help to protect Leeville. These projects will dredge the construction area of the bridge along with an access canal for the equipment. Commissioner Martin questioned if the spoil on the south side will be placed in the graveyard area, which Director Falgout replied that there are 3 permitted spoil sites near the existing Leeville Bridge and spoil will not be placed in the graveyard.

Engineer John Plaisance reported that, as of November 29th, the repairs to the Rowan Bulkhead are complete. Director Falgout stated that Rowan has been notified and they have acknowledged that the repairs are complete. He stated that operations on the site have returned. Engineer Plaisance reported that they are currently working on a bumper system for approximately 120 ft. where most of the damage occurred. Commissioner Melancon questioned the concrete breaks, which Mr. Plaisance

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replied that a test will be done within the next few weeks to determine which deadman were affected and will result in a change order.

Airport Update – Mr. Breaux reported that we are waiting to receive some equipment to finalize the NDB site in Golden Meadow. He stated that once installation is complete the Port will install a fence around the property. He reported on the progress at the Industrial Park. Rotorcraft is leasing the rent house to accommodate workers and Cougar has a trailer site for workers as well. Evergreen Helicopters has moved into an operations building and improved the parking area on their lease site. Phylway Construction is continuing work on the runway extension. They are currently removing lights and doing soil compactions to widen the runway. He reported that Rotorcraft is constructing their parking lot and next week the foundation will be poured for their hangar and office buildings. Mr. Breaux reported that the water line installation on Black Hawk Road is 75% complete.

Road signs have been installed on LA 1, LA 308, and LA 3235 to acknowledge the Airport's location. He worked with the Parish to establish road names at the Airport and the Industrial Park which are: Apache Rd., Cobra Rd., Black Hawk Rd., Cessna Dr., Socata Dr., King Air Dr., and Gulf Stream Drive. Commissioner Martin stated that these road names need to be verified that they are not trademark names, which Mr. Breaux replied that he will look into it. Commissioner Lafont questioned the size of the remaining property once the runway is extended to 6500 ft., which Director Falgout reassured Mr. Lafont that we have enough property for this project and actually enough to go to a 10,000 ft runway. Commissioner Martin questioned who the Airport Manager was meeting with, which Director Falgout reported that he was meeting with PHI who is interested in a site at the Airport. Mr. Breaux met with ERA Aviation this week who are also interested in locating at the Airport.

Port Security – Mrs. Danos reported that the parts are in to repair the Security Camera System, which should begin in January. She reported that she will continue to evaluate the manufacturer of the equipment. Mr. Francioni assured her that once the replacement parts are installed if they are not stable, they will replace the parts with another manufacturer. Commissioner Martin questioned if a camera shows the Flotation Canal area where the mooring dolphins are being installed, which Mrs. Danos replied that the camera on the Northern Expansion should be able to view the activity in that area.

FEMA Updates – Mr. Breaux reported that the Wave Protection project is on hold until the debris can be removed from the beach. There are 3 cross sections outlining the creation of sand dunes with the debris. He stated that they are negotiating with the landowners to participate in creating dunes on the beach area other than the project site. Director Falgout stated that the area on the Wisner property can be excavated in the center and the sand will be used to create sand dunes in that area. He stated that the area on the Caillouet property could be filled with the clean material dredged from the Flotation Canal and the other higher areas can be excavated to rebuild and create more sand dunes. Coastal use permits for this sand dune project will be required once permission is received from the landowners.

Mr. Breaux reported that FEMA is in the final stages of approving the repairs to the Debris Fence along LA 3090. Commissioner Martin stated that once the debris fence is completed he recommends publishing an article explaining the purpose of the fence.

Mr. Chassion reported that there are \$6.3 million of damages for Hurricane Katrina and \$20,931 for Hurricane Rita. He stated that we have started to receive payments from FEMA for some of the damages and worksheets that have already been processed. Director Falgout stated that the difference in claims from Hurricane Katrina and Rita is that Rita only covers 3 days and includes only the additional damages that were not impacted by Katrina. Commissioner Melancon questioned if the repairs to the breakwaters are included in these figures, which Director Falgout stated that only the rebuilding of the existing breakwaters are included. He stated that this does not include the damaged jetties in Belle Pass or the dredging of the channel, which is the Corps' responsibility. In addition, we

are suggesting from FEMA a Hazard Mitigation project to install an additional 15 rock jetties to the east continuing toward Bayou Moreau, which is estimated at \$8 million.

Highway Improvements – Mr. Boulet with the LA 1 Coalition reported that in December the President signed into law the 2006 Transportation Appropriation Act, which marks \$2.3 million for the LA 1 project. He stated that next Wednesday, December 21st the bids will open for the approaches to the new overpass. He reported that the State held a non-mandatory pre-bid meeting, which resulted in 5 major contractors being present. He will be speaking on Thursday, December 22nd on KLRZ radio station about the federal studies done on LA 1 regarding the worst hurricane making landfall, present information on the elevations of the new bridge, and will have the results of the bid opening. DOTD is expecting the bids on Wednesday to come in at \$100-\$125 million for the approaches. He stated that the other bid dates are January 25th for the 6 miles of causeway from Leeville to Fourchon and February 26th for the center cross spans of the bridge. Commissioner Martin questioned if it was likely to have 3 different contractors doing the 3 different phases, which Mr. Boulet replied that it is likely. He stated that there will be an access canal that will be shared by 2 of the contractors that are doing the approaches and the causeway section, which was brought to the attention of the contractors at the pre-bid meeting.

Committee Reports

Executive Committee – Chairman Donald Vizier reported that the committee met on December 12, 2005 at the Administration Building in Galliano. Present were Donald Vizier, John Melancon, Harry Cheramie and Jimmy Lafont. The Commission then discussed items that were discussed at the committee meeting.

Upon motion by John Melancon and second by Wilbert Collins, the board unanimously approved the option to lease 35 acres of property at the Industrial Park to Shell Oil Company for \$10,164.00 per month, \$.05 fuel flowage fee, 3% yearly escalation, and a 10 year primary term with 2 – 5 year options. Shell also has the right to assign the option to an affiliate such as PHI and the right to relocate the premises to another similar site upon mutual agreement with the commission.

President Vizier presented to the board ASCO's request to assign their lease to Hornbeck Offshore, LLC. Director Falgout stated that ASCO is requesting to assign their lease to Hornbeck Offshore but will still have a presence on the site to sell fuel and water. Mr. Danny Brown with ASCO assured the board that they will remain as a tenant of Hornbeck Offshore. Director Falgout stated that Hornbeck is also asking to amend the lease and requesting approval to sublease a portion of the lease to M-I which combined with ASCO is less than 49% and within the subleasing provision of their lease. Upon motion by Chuckie Cheramie and second by Harry Cheramie, the board unanimously approved ASCO's assignment to Hornbeck Offshore, amending the lease agreement, and approving the sublease with M-I and ASCO.

President Vizier presented to the board the request for a Right of First Refusal from Environmental Treatment Team, Inc. for Site 604 along Slip A. Director Falgout recommended to table the request at this time. He stated that this site is currently being used by PSC until January 15th and at that time the Un-inspected Service dock will be re-located to Site 604 on Slip A. This relocation will allow for J.W. Stone Distributors, Inc. to lease Site 312, which is the current location of the service dock in the E-Slip. He stated that possibly in April 2006 we will have additional bulkhead space available to re-locate the Un-inspected Service dock, and at that time, we will receive proposals for Site 604 and will consider the request from ETT being the adjacent lessee. Upon motion by John Melancon and second by Ervin Bruce, the board unanimously approved to table the request from ETT.

Upon motion by Wilbert Collins and second by Chuckie Cheramie, the board unanimously approved the revised computer use policy. Director Falgout commended Mrs. Danos for compiling the information to revise this policy.

President Vizier presented for the board's consideration the rates for mooring dolphin usage. Director Falgout stated that as discussed in committee the administration feels that we should charge \$75 per dolphin per day from companies that request a berth and if a berth is not requested it is a first come first serve basis with no charge. Upon motion by Jimmy Lafont and second by Wilbert Collins, the floor was open for discussion. Commissioner Martin requested to advertise the availability of the dolphins and primarily to the lessee's in the vicinity to receive revenues from the usage and install more dolphins, which Mr. Falgout stated that it will also be advertised. The board voted which resulted in all yeas.

Upon motion by Wilbert Collins to approve the request from VIH Helicopters to lease property at the South Lafourche Industrial Park, which was seconded by John Melancon, the floor was then opened for discussion. Director Falgout stated that VIH has a first right of refusal on said property and now wishes to lease the 11.08 acres. He also stated that VIH is also interested in the 5 acre tract adjacent to this property upon which Rotorcraft already has an approved right of first refusal. Commissioner Martin questioned the 5 acres between Rotorcraft and VIH Helicopters, which Director Falgout restated that Rotorcraft does have a right of first refusal for the 5 acres of property, but VIH may also be interested in acquiring said property. The board then voted to lease 11.08 acres to VIH Helicopters, which resulted in all yeas.

Permits & Waterways Committee – Chairman Chuckie Cheramie reported that the committee met on December 12, 2005 at the Administration Building in Galliano. Present were Chuckie Cheramie, Donald Vizier, Beau Martin, and Jimmy Lafont. The Commission then discussed items that were discussed at the committee meeting.

Mr. Autin updated the board on the abandoned and sunken vessels. He stated that the bid opening is scheduled for December 20th for F/V Capt. Jimmy and F/V Iron Man. He stated that there were a few interested companies that have inspected the vessels. Director Falgout reported that we are still awaiting the removal of the rest of the vessels that are sunken in the bayou, which will be done by the Navy, U.S. Coast Guard, and/or FEMA. We are ahead of everyone else and asking the organization involved in the removal program to use us as a test site to complete our project because we are ready to move forward.

Chairman Chuckie Cheramie presented to the board the permits by James A. Whitson, Jr. and Discover Gas Transmission, LLC. There were no objections to these permits; therefore, no action was taken.

Chairman Cheramie requested that a letter be sent to the South Lafourche Levee District expressing the Port's concerns regarding the size of the by-pass channel and requesting alternative plans to navigation during the installation of the lock project.

Construction & Development – Chairman Bruce reported that the committee met on December 12, 2005 at the Administration Building in Galliano. Present were Ervin Bruce, Donald Vizier, Larry Griffin, and Wilbert Collins. The Commission then discussed items that were discussed at the committee meeting.

Upon motion by Larry Griffin and second by Wilbert Collins, the board unanimously approved the Clear Lien Certificate with Marsh Buggies, Inc. for the Pontoon Excavator.

Upon motion by John Melancon and second by Wilbert Collins, the board unanimously approved the Substantial Completion by Circle, Inc. for the Rowan Southwest Bulkhead repairs.

Finance Committee - Chairman John Melancon reported that the committee met on December 12, 2005 at the Administration Building in Galliano. Present were John Melancon, Donald Vizier, Larry Griffin, and Wilbert Collins. The Commission then discussed items that were discussed at the committee meeting.

Upon motion by John Melancon and second Larry Griffin, the board unanimously approved the November 2005 invoices.

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Upon motion by John Melancon and second by Wilbert Collins, the board unanimously approved the November 2005 financial report.

Chairman Melancon presented for the board's consideration the 2006 Financial Budget. Mr. Rome explained the few changes that were made since the committee meetings, which include removing the funding by DOTD for the taxi runway, refining the advalorem funds from 5.4 to 6.9 mills, and adding the remaining DOTD funds for bayou maintenance. The overall revised budget increase totals \$246,000 and the revised net income totals \$13,426,165. He presented the highlights of the revised budget being \$11.4 million of budgeted revenues, \$8.89 million of the operating budget, \$25.033 million of the capital budget, and \$2.9 million of projected cash. He concluded that the 2006 budget totals \$33,927,643. Commissioner H. Cheramie made a motion to remove Director Falgout's additional \$200 monthly car allowance from the budget, which was seconded by Jimmy Lafont. The board voted which resulted in 5 yeas by H. Cheramie, C. Cheramie, Lafont, Melancon, Martin and 4 nays by Vizier, Collins, Bruce, and Griffin. The motion to amend the budget was approved. Upon motion by John Melancon and second by Harry Cheramie, the board unanimously approved the 2006 Financial Budget as amended.

Upon motion by Jimmy Lafont and second by Chuckie Cheramie, the board unanimously approved the revised policy on official office closure. Director Falgout stated that this is the procedure that we follow to compensate working employees during office closures.

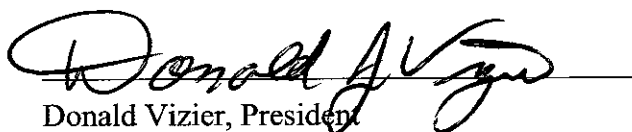
President Vizier opened the floor for any other business. Upon motion by Donald Vizier and second by Wilbert Collins, the board unanimously cancelled the December 28, 2005 Committee Meeting in Fourchon.

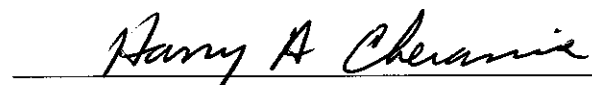
Upon motion by Chuckie Cheramie and second by Larry Griffin, a two-thirds vote was taken to add Mr. Breaux's out of state travel request to the agenda. Upon motion by Chuckie Cheramie and second by Jimmy Lafont, the board unanimously approved the travel request to attend the AAPA seminar on engineering and represent the Port at the AAPA Hurricane Recovery Plan meeting.

President Vizier opened the floor for public comment. Mr. Douglas Cheramie questioned the budget removal of the Director's additional \$200 expense, which Director Falgout explained that it was removed from the budget before it was approved. Mr. Cheramie also questioned the ASCO/Hornbeck assignment, which Director Falgout explained that ASCO is assigning their lease to Hornbeck Offshore but will still have a presence on the site as a sublease.

Upon motion by Larry Griffin and second by Wilbert Collins, the board adjourned the meeting.

ATTEST:


Donald Vizier, President


Harry Cheramie, Secretary

December 14, 2005