

Special Meeting Agenda  
AGENDA  
April 21, 2006 @ 10:00 AM

- I. Call to Order
- II. Pledge of Allegiance
- III. Roll Call
- IV. Consider approving the LA Compliance questionnaire
- V. Consider approving the low bid for the Chevron Canal Bridge Restoration
- VI. Approve assignment of leases from South Lafourche Bank to Griffin Rentals, LLC
- VII. Approve Consent to Leasehold Mortgage from South Lafourche Bank and Griffin Rentals, LLC
- VIII. Discussion of Rowan Litigation (possible executive session)
- IX. Consider approving the low bid for the Delmar Site Improvements
- X. Any Other Business
- XI. Public Comment
- XII. 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  
April 21, 2006

The Board of Commissioners of the Greater Lafourche Port Commission met in special session on Friday, April 21, 2006 at 10:00 AM.

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

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

ABSENT: Chuckie Cheramie

President Vizier presented for the board's approval the 2005 LA Compliance Questionnaire. Upon motion by Wilbert Collins and second by Ervin Bruce, the floor was open for discussion. Commissioner Martin questioned if this is a yearly item that is voted on by the board, which Director Falgout assured him that this is part of the audit process and is approved by the board annually. The board then voted which resulted in 8 yeas and 1 absent.

President Vizier presented for the board's consideration to approve the low bid for the Chevron Canal Bridge Restoration. Engineer Al Badeaux recommended approving the low bid by Centaur, LLC in the amount of \$695,690.00. He stated that the high bid amount is due to the increase cost of stone and the additional steel beams needed to complete this project. Director Falgout stated that FEMA is committed to \$651,000 but will pay 90% of the total cost. Upon motion by Larry Griffin and second by Wilbert Collins, the board unanimously approved the low bid by Centaur, LLC in the amount of \$695,690.00 to repair the Chevron Canal Bridge.

President Vizier presented for the board's approval the assignment of leases from South Lafourche Bank & Trust Co. to Griffin Rentals, LLC. Upon motion by John Melancon and second by Wilbert Collins, the floor was open for discussion. Mr. Autin reported that this is regarding the 2 leases that were originally leased to Lafourche Services, Inc. and assigned to South Lafourche Bank; therefore, South Lafourche Bank was required to have all insurance and indemnity requirements of the two leases. Commissioner Martin questioned the ownership and the previous sale of Lafourche Services, Inc. which Mr. Autin responded that Lafourche Services, Inc. sold some of their assets in Golden Meadow not ownership of the corporation. He reported that Curment Griffin still owns the majority interest of Lafourche Services, Inc. and owns Griffin Rentals, LLC along with his son. Commissioner Melancon questioned if this agreement will be good for the Commission, which Mr. Autin replied that the Commission will be in a better position with this transaction. The board then voted and unanimously approved the assignment of the two leases from South Lafourche Bank & Trust Co. to Griffin Rentals, LLC.

Upon motion by Larry Griffin and second by Wilbert Collins, the board unanimously approved the Consent to Leasehold Mortgage from South Lafourche Bank & Trust Co. and Griffin Rentals, LLC.

Director Falgout recommended entering into executive session to discuss the Rowan litigation. Upon motion by Wilbert Collins and second by Ervin Bruce, a roll call vote was taken which resulted in 7 yeas by Vizier, H. Cheramie, Collins, Griffin, Bruce, Martin and Melancon; 1 nay by Lafont; and 1 absent by C. Cheramie. The board requested that Mr. Autin attend the session. The board later requested that Engineer Plaisance enter into the session. The board returned to the meeting with no action taken.

President Vizier presented to the board the low bid for the Delmar Site Improvements. Director Falgout reported that the bids received were considerably high and the Port has been negotiating with Delmar and Ronald Adams Contractors to accept or reject the bids. He stated that under the lease Delmar had two weeks to respond once the bids were opened. There is pre-Katrina language in Delmar's lease agreement regarding liquidated damages if the site is not completed by February 18, 2006. The completion date of February 18, 2006 was determined before the movement of the Delmar site further down the slip to accommodate Chouest's development and also the cost increases due to the hurricanes. Mr. Autin reported that he has been speaking with Greg Dugas with Delmar regarding options which would lower the cost of the project. The three items that were discussed to remove from the bid were the limestone, rip rap, and electrical. The Port has lower quotes for the limestone and rip rap under our semi-annual construction material quotes and Delmar was going to supply an electrical contractor. After further negotiations with Delmar, it was decided to remove only the limestone and rip rap from the low bid and keep the electrical under Ronald Adams' bid. He reported that there was some concern at the last meeting to remove items from the low bid under the public bid law. It is legal to negotiate with the low bidder to reduce cost under the public bid law.

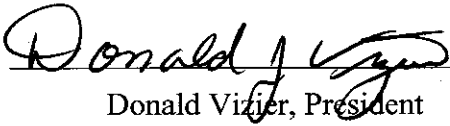
There are 3 options under their lease agreement that we can present to Delmar to move forward, which are that they can accept the bids, cancel the lease, or negotiate and reset the February 18, 2006 completion date. Director Falgout stated that the problem the Port is facing is that Delmar could request liquidated damages of \$2,000 per day from Feb. 18<sup>th</sup> to sometime in June/July once the project is completed. He stated that the bulkhead contract with James Construction also has liquidated damages of \$2,000 per day after Feb. 18<sup>th</sup> which offsets the lease agreement but does not include the dredging contract. Commissioner Martin questioned when will the contractor be complete, which Engineer Picciola responded that the Delmar site should be complete within the next couple of weeks but the whole project will be completed in June. He stated that there was question with the contractor if the liquidated damages were removed on the Delmar portion but this was never done in writing. Commissioner Collins questioned how to proceed, which Mr. Autin responded that we can negotiate with Delmar to remove the February 18<sup>th</sup> deadline and pay Delmar any liquidated damages that we receive from the contractor. He stated that Delmar is considering extending the date by 36 days due to the hurricanes.

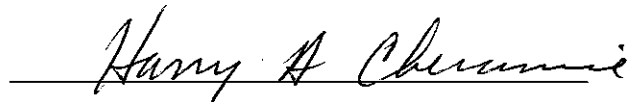
Mr. Breaux reported that if Delmar chooses to cancel the lease, they will need to pay for the crane pads installed on the property. We could also offer that Delmar can start utilizing the stabilized portions of property prior to the completion of all improvements. Further discussion followed regarding the upcoming dredging project and the delays in the bulkhead project. Commissioner Lafont requested that Mr. Autin present to Delmar the options so that the Port can move forward. Delmar needs to make a decision on the bids as per their lease agreement with the Port. Engineer Picciola stated that Delmar's primary concern is not to be penalized due to the move further down the slip and they would like to utilize portions of the property as soon as possible. Upon motion by John Melancon and second by Larry Griffin, the board unanimously approved that Mr. Autin continue negotiating with Delmar to come up with a final decision on the site development bid and the liquidated damages.

President Vizier opened the floor for any other business. Director Falgout reported that Sunday, April 23, 2006, the Ambassador of Kazakhstan and Congressman Melancon will be touring the Port and invited the Commissioners to attend. He also stated that on Monday, April 24, 2006 a group of scientist will be touring the Port regarding coastal restoration and the aftermath of the storms.

Upon motion by Larry Griffin and second by Harry Cheramie, the board adjourned the meeting.

ATTEST:

  
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Donald Vizier, President

  
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Harry Cheramie, Secretary