

AGENDA  
Revised  
May 10, 2006

- I. Call to Order
- II. Pledge of Allegiance
- III. Roll Call
- IV. Consider April 10, 2006 Special Meeting Minutes for approval
- V. Consider April 12, 2006 Regular Meeting Minutes for approval
- VI. Consider April 21, 2006 Special Meeting Minutes for approval
- VII. Consider April 26, 2006 Special Meeting Minutes for approval
- VIII. 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. Leeville Mitigation Dredging Projects – Larry Picciola
  - B. **Airport Update**
    - a. Project status
  - C. **FEMA Updates**
    - a. Wave Protection
    - b. Debris Fence along LA 3090
    - c. Katrina FEMA Claims
  - D. **Highway Improvements Update**
- IX. Committee Reports
  - A. **Executive Committee**
    - a. Consider approving VIH's official action resolution/inducement agreement
    - b. Consider accepting summer applicants
    - c. Consider approving the Hurricane Committee's plan
  - B. **Permits & Waterways Committee**
    1. Permits:
      - a. LA Delta Oil Company
      - b. Brammer Engineering, Inc.
  - C. **Construction and Development Committee**
    1. Consider advertising for semi-annual construction materials
    2. Consider approving the low bid for Front Marina Bulkhead repairs
    3. Consider approving Change Order No. 1 United Dredging for Leeville Project No. 2
    4. Consider approving the Clear Lien certificate by Circle, Inc. for the SW Rowan Repairs
    5. Consider approving Change Order No. 1 Sealevel Construction for LA 3090 Debris Fence
  - D. **Finance Committee**
    - a. Consider payment of invoices and recognize expenditures over \$10,000
    - b. Adopt the millage rate for the tax year 2006
    - c. Consider approving out of state travel request
- X. Any other business
- XI. Public Comment
  - Possible Executive Session
    - 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"
- XII. Public Comment
- XIII. 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  
May 10, 2006

The Board of Commissioners of the Greater Lafourche Port Commission met in regular session on Wednesday, May 10, 2006 at 10:30 AM.

President Vizier called the meeting to order, and Vice President Lafont called the roll.

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

ABSENT: None

Upon motion by Wilbert Collins and second by Chuckie Cheramie, the board unanimously approved the April 10, 2006 Special Meeting Minutes.

Upon motion by John Melancon and second by Ervin Bruce, the board unanimously approved the April 12, 2006 Regular Meeting Minutes.

Upon motion by Wilbert Collins and second by Jimmy Lafont, the board unanimously approved the April 21, 2006 Special Meeting Minutes.

Upon motion by Beau Martin and second by Harry Cheramie, the board unanimously approved the April 26, 2006 Special Meeting Minutes.

**Executive Director's Report**

Northern Expansion Update – Engineer Joe Picciola reported that James Construction is continuing to make progress on Slip B, West Bulkhead, Project #1. He stated that they have poured all the concrete deadmen and they are continuing to blast and paint the steel sheets. He reported that they have begun bringing in lightweight aggregate for the Delmar site and should be finish on the Delmar site within a week. The total project is estimated to be complete within 4-6 weeks. He reported that there was a pre-construction meeting with Delmar and Ronald Adams for the Delmar Site Improvement project this week. The contracts are being signed and they are ready to mobilize on site by the end of this week with the Notice to Proceed dated May 15<sup>th</sup>. He stated that Ronald Adams is receptive to complete portions of the project to accommodate Delmar moving equipment on site as soon as possible. Mr. Picciola reported that Grand Isle Shipyard will be supplying the limestone and they currently have 10,000 tons on site for this project with another 10 barges on the way. Commissioner Martin requested an update on the dredging project, which Mr. Picciola stated that the plans were approved by DOTD and the project is currently being advertised. The bid opening is scheduled for June 2<sup>nd</sup>. Mr. Picciola stated that it is stipulated in the dredging contract to do the Delmar portion first which should be complete within 30 days. He reported that the site improvements and the dredging project on the Delmar site should both finish around the same time.

Mr. Neil Angelette with Larry Picciola Engineers reported that Shavers-Whittle has completed all the 39 concrete deadmen for Slip B, West Bulkhead, Project #2. He stated that they have installed more than half of the steel sheets along Slip B. The construction is on schedule and he estimates completion in August.

Director Falgout reported that United Dredging is progressing well for the Leeville Mitigation and Bucket Dredging Projects. He reported that they visited the site during the week and they are doing an excellent job. United dredging has completed their portion of the Bucket Dredge Project #2 and is close to completing Bucket Dredge Project #1. Mr. Angelette stated that Weeks Marine is scheduled to be on site in mid-June to begin the Hydraulic Dredging project. He stated that Weeks Marine has 4 excavators on site building the levee barriers to accommodate the hydraulic material. Commissioner Griffin questioned

the bid process and increased prices, which Director Falgout stated that any price increases since the bid was approved does not affect the contract. He stated that all the projects that were bid last year are having the same problems of increased stone and fuel costs. Further discussion followed regarding the history of the two bucket dredge projects.

Airport Update – Airport Manager, Jeff Hunter reported that Phase I of the Runway Extension project is complete and we are waiting on the substantial completion certificate for approval. The contracts are being signed for Phase II of the Runway Extension project from 5,000' to 6,500'. He stated that Phase III of the Runway project which includes the lighting and electrical should begin advertising in June. The AWOS project had its annual inspection with FAA which was approved. The NDB site is 90% complete and a field inspection was done last week with FAA. The Port has installed a security fence around the NDB equipment and property. Rotorcraft started hanging steel for their office building and should be complete within the next few weeks. The helipads have been poured on Rotorcraft's site. He stated that we are waiting on the signed contracts from VIH Helicopters for their lease site and parking area. He stated the J.W. Whitson Company has inspected the area at the Airport for their proposed drilling site.

Mr. Hunter reported that he met with Mr. Velayos with FAA yesterday to discuss advanced funding for Fiscal Year 2007. He stated that if the Port commits to doing the runway overlay and strengthening for approximately \$2 million, FAA would invest \$3 million for the 6,500' parallel taxiway and safety components for the next 3 years. He stated that if the Port chooses not to commit, FAA will only fund approximately \$1 million per year beginning in 2008. Director Falgout stated that from our meeting with FAA to discuss the future development plans over the next 4 years, FAA stated that there was no money available for advanced funding. He stated that yesterday FAA presented the offer of investing \$6 - \$9 million over the next 3 years which is a great opportunity for the Airport. Director Falgout stated that the Port currently has \$2 million in the budget for this year and by accepting this proposal we would add an additional \$2 million for 2007. He stated that this would move the development of the Airport 2 years ahead of the original plans. This would advance the Airport to a 6,500' runway at 75,000 lbs. capacity which would also allow American Air Services to move their facility to our Airport sooner. He stated that he will put together an outline of the proposal for the board's consideration at the next meeting. Mr. Hunter stated that the runway extension proved to be a success last weekend when Traylor Bros. came into the Airport with their jet and was able to land on our new runway.

FEMA Updates – Mr. Chiasson reported that he is working with FEMA to get approval on Stranco's request for an additional \$57,519.80 for the Wave Protection project. Director Falgout stated that due to the hurricane damage of the bridge, the contractor was unable to begin the project which was awarded last year. The request is for the increased cost of more trips across the bridge with fewer mats because of the bridge limits that are in effect. The Port will wait for FEMA's decision to move forward. He stated that another issue for this project is the stockpiled cement matting that is in storage but beginning June 1<sup>st</sup> the company holding this material will start charging the Port an additional fee for storage.

Mr. Chiasson stated that the claim for the Debris Fence Repairs along LA 3090 was denied by FEMA because the project was not substantially completed prior to the hurricanes. We have contacted Sealevel and we have 60 days to appeal which the Port and Sealevel intends to do. Commissioner Melancon questioned if Sealevel had builders risk, which Mr. Joe Picciola reported that Sealevel did not have builders risk insurance. He reported that the type of builders risk insurance that would normally be required would not have covered this type of damage. Sealevel would have needed flood builders risk which was not required.

Mr. Chiasson reported that the project worksheet for the siltation in the northern expansion area is left to be signed by FEMA. He reported that the Breakwater repairs should be advertised by next week. The Port has sent a letter to FEMA regarding Centaur's lack of builders risk insurance for the bridge repair project. He stated that we should receive an answer by Friday.

Highway Improvements Update – Henri Boulet, Director of LA 1 Coalition, reported on the funding efforts for the Elevated Highway project. He stated that the project remains on the LA Recovery Authority's agenda for funding that may be possible from the \$4.2 billion coming from Washington to the

State as CBGB funds. He stated that the newspaper had an article regarding the first \$6 million coming down which includes some funding for infrastructure, but the LRA has decided to take care of State buildings with this money. The LA 1 Coalition is requesting \$90 million for the shortage of Phase 1A from the second group of funds coming down for infrastructure repairs and enhancements during the storms. Mr. Boulet is working on the Coastal Assistance application with DOTD which is due on May 22<sup>nd</sup>. He is also working on a hazard mitigation grant application for the highway project to receive funds from the \$2 billion that will be available from the State to do corrective action projects to prevent future impacts.

Mr. Boulet updated the Commission on the royalty sharing effort. He reported that Representative Jindal has a House bill in which he has 95 supporters signed on and Senator Vitter is also developing his own bill to be presented through the Senate Commerce Committee. He stated that these 2 bills will meet this summer in conference committee. He reported that the LA 1 Coalition drafted a letter to MMS for future lease sales expressing the impacts on LA 1 and requesting a time table to help fund the mitigated impacts. He stated that the Corps of Engineers has a hearing in Houma today and one in Larose next week to provide Cat. 5 levee protection for all of LA. He encouraged everyone to attend and express to the Corp to choose the southern most part alignment which would strengthen our levee system to a Category 5 protection and also protect the Morganza project being constructed. Commissioner Lafont mentioned an article in the Times Picayune focused on the Port and the new highway, which Mr. Boulet replied that the article was accurate and placed the port in the spotlight for doing business with OCS companies which is great for economic development. He stated that all these articles help us stay in the minds of our legislatures. Mr. Boulet reported that he attended a meeting with the Governor and offshore drilling companies and she expressed that LA 1 is a priority.

### **Committee Reports**

Executive Committee - Chairman Donald Vizier reported that the committee met on April 21, 2006 at the Administration Building in Galliano. Present were Donald Vizier, John Melancon, and Jimmy Lafont and Harry Chermie. The committee met on April 26, 2006 at the Operations Building in Fourchon. Harry Chermie was absent. The committee also met on May 8, 2006 at the Administration Building in Galliano. Jimmy Lafont was absent. The Commission then discussed items that were discussed at the committee meetings.

Chairman Vizier presented for the board's consideration to approve VIH's official action resolution/inducement agreement. Director Falgout stated that VIH Aviation Company has been operating at our Airport on a temporary basis and is interested in developing a permanent facility. They are known worldwide and specialize in search and rescue and would like to do their deepwater Gulf operations out of our Airport. We have been working on a financial package with them to encourage their growth opportunity. This parish is part of the impacted parishes that are eligible for the Gulf Opportunity Zone Bonds (GO Zone Bonds) which will provide tax incentives for companies to build in this area. He stated that to utilize the opportunity of the GO Zone Bonds the Port needs to take certain steps to support VIH Helicopters investment at our Airport. The Port will need to approve this resolution identifying our bond counsel and financial consultant. The amount of the bonds that VIH is requesting is for \$20 million but they estimate only \$13 million will be used for their facilities. The resolution will establish Foley Judell as our bond counsel and Government Consultants of LA, Inc. as our financial adviser. Mr. John Holt, Government Consultants advisor addressed the Commission. He explained that the Port would be acting as a conduit financier for VIH and their intent is to use GO Zone Bonds. They will have to go through a process to get allocation from the Governor to issue the bonds and will need a letter of credit. The Port will not be responsible for payment in any way. The responsible parties for the bonds will be VIH or the holder of the letter of credit. Director Falgout reported on some of the investments that VIH will be bringing to our Airport. They will be building hangars, bringing in helicopters which will be paying ad valorem taxes, and hiring 30-40 employees. Commissioner Martin questioned if they will need any additional space at the Airport for future developments, which Director Falgout stated that this question was posed to them and they assured us that the 15 acres is more than they ever anticipate needing. The larger aircrafts that they have will be using the taxiway to get to their facility. He also stated that VIH is in

the process of executing a parking lease which will be located across from their site. Upon motion by Chuckie Cheramie and second by Jimmy Lafont, the board unanimously approved VIH's official action resolution/inducement agreement.

Chairman Vizier presented the summer applicants. Director Falgout stated that the maintenance department has picked two leaders from last year which are Nicholas Collins and Scott Louviere. The remaining 3 roustabouts will be Ryder Pitre, Taylor Guidry, and Zachary Bruce. The alternates for the roustabout positions are Kelsie Guidry, Thomas Bruce, and Joshua Guidry. The clerical position chosen is Taylor Guidry. The clerical position alternates are Katie Collins, Britney Lombas, and Kelsi Guidry. Director Falgout stated that since Taylor Guidry has been chosen for both positions, he will be given the option of being a roustabout or clerical and an alternate will move up to the position he denies.

Chairman Vizier presented for the board's consideration to approve the Hurricane Guide 2006. President Vizier complimented Commissioners: Beau Martin, Chuckie Cheramie, and Harry Cheramie along with employees: Jon Callais, Paula Schouest, and James Rome for doing a good job on the plan. Director Falgout stated that the Port has come a long way from last year and will continue to improve the plan. The committee focused more on the recovery process of the guide. This will be a changing document that we can add to as problems arise. Commissioner Martin stated that by going through this process, the main focus was for the safety of our people so that they can return to work, good communications during evacuation, and getting the Port up and running as soon as possible. Commissioner Melancon questioned if there is a fall back plan of having food and supplies available at the Galliano office if the essential personnel is unable to evacuate further north, which Commissioner C. Cheramie responded that those accommodations are in the plan. President Vizier questioned if anyone has contacted a supply boat company to tie up in Galliano, which Director Falgout responded that this is an option but the area would need to be dredged prior to this arrangement. Commissioner Chuckie Cheramie reported that the staff and commissioners have worked in excess of 40-80 hours on this plan. Upon motion by Harry Cheramie and second by Wilbert Collins, the board unanimously approved the 2006 Hurricane Guide.

Permits & Waterways Committee - Chairman Chuckie Cheramie reported that the committee met on April 21, 2006 at the Administration Building in Galliano. Present were Donald Vizier, Jimmy Lafont and Beau Martin. Chuckie Cheramie was absent. The committee met on April 26, 2006 at the Operations Building in Fourchon. Beau Martin was absent. The committee also met on May 8, 2006 at the Administration Building in Galliano. Beau Martin and Jimmy Lafont were absent. The Commission then discussed items that were discussed at the committee meetings.

Chairman C. Cheramie presented to the board the permits by Louisiana Delta Oil Company and Brammer Engineering, Inc. He stated that there are some concerns regarding wheel washing in both permits therefore a letter will be sent opposing wheel washing.

Construction and Development Committee - Chairman Bruce reported that the committee met on April 21, 2006 at the Administration Building in Galliano. Present were Ervin Bruce, Donald Vizier, Larry Griffin, and Wilbert Collins. The committee met on April 26, 2006 at the Operations Building in Fourchon. All members were present. The committee also met on May 8, 2006 at the Administration Building in Galliano. All members were present. The Commission then discussed items that were discussed at the committee meetings.

Upon motion by Chuckie Cheramie and second by Wilbert Collins, the board unanimously approved to advertise for semi-annual construction materials.

Upon motion by Chuckie Cheramie and second by Larry Griffin, the board unanimously approved the base bid including the alternate by Stranco, Inc. in the amount of \$372,800 for the Front Marina Bulkhead Repairs.

Upon motion by Larry Griffin and second by Wilbert Collins, the board unanimously approved Change Order No. 1 by United Dredging for the Leeville Mitigation and Bucket Dredge Project No. 2 which increases the contract price by \$48,735.00 with the new contract totaling \$189,400.50.

Upon motion by John Melancon and second by Wilbert Collins, the board unanimously approved the Clear Lien Certificate by Circle, Inc. for the Southwest Rowan Bulkhead Repairs.

Upon motion by Ervin Bruce and second by Wilbert Collins, the board unanimously approved to table Change Order No. 1 from Sealevel Construction for the LA 3090 Debris Fence. Director Falgout stated that we will continue to work with Sealevel and appeal the FEMA judgment.

Finance Committee – Chairman John Melancon reported that the committee met on April 21, 2006 at the Administration Building in Galliano. Present were John Melancon, Larry Griffin, Wilbert Collins, and Donald Vizier. The committee also met on April 26, 2006 at the Operations Building in Fourchon. Harry Cheramie was absent. The committee also met on May 8, 2006 at the Administration Building in Galliano. Jimmy Lafont was absent. The Commission then discussed items that were discussed at the committee meetings.

Chairman Melancon presented for the board's consideration to approve the payment of invoices and expenditures over \$10,000. Upon motion by John Melancon and second by Wilbert Collins, the floor was open for discussion. Commissioner Martin questioned the liquidated damages by James Construction, which Director Falgout stated that we are still holding the 5% retainage from the invoices and the liquidated damages will not affect the payment of their regular invoices. The damages will be accounted for either through the retainage being held or deducted in a change order at the completion of the project. The board then voted on approving the invoices which resulted in all yeas.

Chairman Melancon presented for the board's consideration to adopt the millage rate for the tax year 2006. He reported that the committee recommends remaining at the 6.94 millage rate that was set last year. Upon motion by John Melancon and second by Beau Martin, the floor was open for discussion. Commissioner Martin questioned if we are still in agreement for the lock project, which Director Falgout stated that we are in agreement with the South Lafourche Levee District to fund \$2 million for the installation of the lock system. He stated that we also have the mitigation requirement with DOTD for the highway project which is estimated at \$3 million upon completion of both the bucket dredge projects and the hydraulic dredge project. The board then voted and unanimously adopted the 6.94 millage rate for 2006.

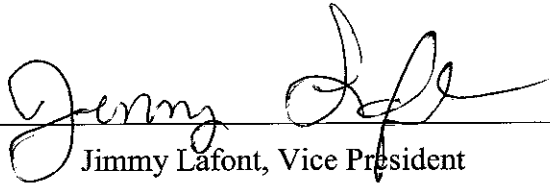
Upon motion by Larry Griffin and second by Wilbert Collins, the board unanimously approved the out of state travel request for Davie Breaux to attend the AAPA Special Seminar on Emergency Preparedness in Oregon.

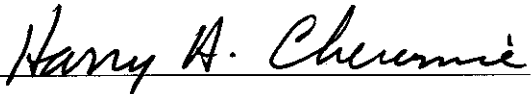
President Vizier opened the floor for any other business. Commissioner C. Cheramie questioned if the harbor police checked on the broken barge that is tied with only one rope in Leeville, which Mr. Jon Callais stated that they have not checked on it as of yet but will send an officer out today.

Director Falgout stated that there is no need to enter into executive session for the Rowan litigation. He reported that the attorneys are working on drafting the preliminary agreements with Rowan which may be ready to present to the board by the next meeting.

Upon motion by Larry Griffin and second by Jimmy Lafont, the board adjourned the meeting.

ATTEST:

  
Jimmy Lafont, Vice President

  
Harry Cheramie, Secretary