

Special Meeting Agenda
AGENDA
August 11, 2006 @ 11:30 AM

- I. Call to Order
- II. Pledge of Allegiance
- III. Roll Call
- IV. Consider the award of Northern Expansion Dredging Project SPN 578-29-0017 (322)
- V. Any Other Business
- VI. Public Comment
- VII. Adjournment

OFFICIAL PROCEEDINGS OF THE GREATER LAFOURCHE PORT COMMISSION
August 11, 2006

The Board of Commissioners of the Greater Lafourche Port Commission met in special session on Friday, August 11, 2006 at 11:30 AM.

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

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

ABSENT: Wilbert Collins

President Vizier presented for the board's discussion the award of the Northern Expansion Dredging Project SPN 578-29-0017(322). Upon motion by Jimmy Lafont and second by Larry Griffin, the floor was open for discussion. Mr. Autin stated that the dredging project consists of the FEMA portion along Flotation Canal and Slip A & B and the DOTD portion along the bulkhead of Slip B. He stated that when we awarded this job at the special meeting in Fourchon, DOTD stated that the engineer did not comply with the public bid law of advertising for 25 days because they only counted 24 days. He stated that FEMA supports awarding the job as advertised due to the Port meeting the intent of the public bid law and receiving 4 competitive dredging bids. Mr. Autin researched an attorney general opinion which stated that the removal of debris from a canal in Terrebonne Parish was not subject to the public bid law because it was considered a service contract. He contacted the assistant attorney general who drafted the opinion and he also agreed that since it was maintenance dredging of silt due to the hurricanes it is considered a service contract and doesn't need to be publicly bid. Mr. Autin also contacted Mr. Dugas with Delmar and updated him of the situation. Mr. Autin feels comfortable with going ahead with the FEMA portion but DOTD will have a problem with the days advertised. Mr. Autin recommended to Mr. Dugas that Delmar contract with Mike Hooks to dredge the portion along their bulkhead. The only issue that Mr. Dugas has with this is that this would involve Delmar putting up more money on their site rather than including this in their improvement rental.

Mr. Autin researched the other improvements which Delmar has already funded for their site. For the grading and shaping of rip rap and limestone, the bids were high and the Port had a better price from our annual quotes from Grand Isle Shipyard. Delmar agreed to contract directly with GIS for the services of grading and shaping this material. Mr. Dugas suggested that the Port pay the price for the grading and shaping service, \$163,725.80, and in turn Delmar would pay the \$240,000 to dredge in front of their bulkhead. Delmar would, in turn, repay the \$163,725.80 through Delmar's improvement rental. Mr. Autin stated that this would get us moving on the dredging, otherwise the Port would have to re-bid the DOTD dredging portion and wait another 30 days or more. Under the Delmar lease, the Port would be liable for \$2,000 per day liquidated damages for these potential delays. Mr. Autin stated that if the board agrees with this there are 3 motions that would need to be approved. Commissioner Martin entered the meeting.

Commissioner Lafont commented that the engineer said that we were alright with the days advertised. Director Falgout stated that DOTD has to approve all the procedures in a project for the funding to be awarded and DOTD will not take the word from our engineer and requires the Port attorney's opinion. The Port attorney has to say it is legal and we have met the 25 days but we are not comfortable in stating that. Therefore, DOTD will not allow us to award this bid for the DOTD portion. Director Falgout stated that the FEMA portion is totally different and it meets the

requirements of a service contract. In order to get the most critical part of the dredging done, it was suggested that the Port allow Delmar to contract with Mike Hooks and reject the DOTD portion of the bids. We would remove only the Delmar portion and re-bid the remainder of the dredge project along the Flotation Canal. Commissioner H. Cheramie questioned the first day of advertising, which Director Falgout stated that DOTD states that the first day does not count. Engineer Joe Picciola stated that the public bid law is subject to interpretation and he believes that the first day of advertising should count. Further discussion followed regarding the advertising days determined by DOTD and the attorney general. Engineer Picciola has spoken to the contractor and he still wants this job even if the DOTD portion is removed from the contract. The contractor will also hold the unit rates given in the bid if Delmar contracts that portion separately. Director Falgout stated that the only portion that we will be delayed on is the remainder of the James Construction project which does not involve liquidated damages paid by the Port. The board discussed the possibility of giving the other companies that have signed a lease the option of funding the dredging in front of their bulkhead. Director Falgout stated that the only problem with this is that the Port would lose the DOTD funding if the private contractor does the dredging. The project is big enough to remove the Delmar portion but if others are removed we will lose the funding. Commissioner Martin questioned the time delay for dredging in front of Harvey Gulf, Expert Riser, and Grand Isle Shipyard, which Director Falgout responded that it will take approximately 60 days to re-bid and award a contract. Engineer Picciola suggested that the Port re-bid that portion as a separate contract.

Commissioner Melancon requested a clarification of the motions which will be presented, which Mr. Autin replied that the motions for approval involve Delmar to separately contract with Mike Hooks, Inc. to dredge the 600' of waterfront in the amount of \$240,000. He stated that the Port would pay for the grading and shaping of improvements of \$163,725.80 which will then be repaid by Delmar through their improvement rental. The remainder of the DOTD portion will be re-bid. The original motion to award the Northern Expansion dredging project was withdrawn and separated into the following three motions.

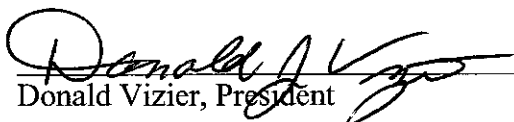
Upon motion by Jimmy Lafont and second by Larry Griffin, the board adopted a resolution to amend the award given to Mike Hooks, Inc. to only apply to the FEMA dredging portion. The vote resulted in 7 yeas, 1 absent, and 1 abstained by C. Cheramie

Upon motion by Beau Martin and second by Larry Griffin, the board adopted a resolution to reject all the bids relating to the DOTD dredging portion which will be re-bid. The vote resulted in 7 yeas, 1 absent, and 1 abstained by C. Cheramie.

Upon motion by Harry Cheramie and second by Jimmy Lafont, the board adopted a resolution authorizing payment in the amount of \$163,725.80 for the limestone grading and shaping services on the Delmar lease site which will be repaid by Delmar through their improvement rental. The vote resulted in 7 yeas, 1 absent and 1 abstained by C. Cheramie.

Upon motion by Larry Griffin and second by John Melancon, the board adjourned the special meeting.

ATTEST:


Donald Vizier, President


Harry Cheramie, Secretary