

AGENDA
July 14, 2010 at 10:30 AM
(Revised 7/13/10 at 9:20 AM)

- I. Call to Order
- II. Pledge of Allegiance
- III. Roll Call
- IV. Consider approval of minutes for June 9, 2010 regular meeting and June 23, 2010 special meeting
- V. Executive Director's Report
 - A. **Northern Expansion**
 - 1) Slip B East Bulkhead, Phase #4, Part II (Angelette-Picciola)
 - 2) Slip B Asphalt Dudley Bernard Road, Phase 2 (Angelette-Picciola)
 - B. **Airport Projects**
 - 1) Approach Lighting
 - 2) Airport Drainage Canal
 - 3) Pump Station Upgrade
 - C. **FEMA Projects**
 - 1) Bathhouse
 - D. **Port Security and Grant Projects**
 - 1) 400' Communications Tower and Foundation
 - 2) Phase II MDA – Camera networking improvements
 - 3) Multi-Agency Security Response Center
 - E. **Other Port Projects**
 - 1) Martin Terminal Slip #1 Repairs
 - 2) L&L Dock#15 Bulkhead Repairs
 - F. **LA 1 Highway Improvements**
 - G. **Gulf of Mexico Oil Spill**
- VI. Committee Reports
 - A. Executive Committee
 - 1) Consider adopting the resolution supporting the South Central Planning and Development Commission for funding through the National Infrastructure Investments Grant Program
 - 2) Consider approving Mad Trucking request to assign lease to HydroCarbon Flow Specialist
 - 3) Consider approving the requests from Bollinger-Fourchon for a 3rd Amendment to Landlord Waiver for 502 lease sites and a Landlord Waiver for sites subleased from L&L Oil and Gas (501-16B and 501-16C)
 - 4) Consider approving the Estoppel Certificate by US Liquids of LA
 - 5) Consider approving the request from SURF Subsea for lease on Slip B
 - 6) Consider approving the LOOP Drainage Servitude at the Airport
 - 7) Consider approving the Amendment to Lafarge property on Flotation Canal Road
 - 8) Consider approving the Landowner Lease Extension for L506 and L334 Front Commercial Marina
 - B. Permits & Waterways Committee
 - 1) Review permit application from Castex Energy, Inc., Maritech Resources, Inc., Chevron Pipeline Company, Apache Corporation
 - 2) Consider the sunken vessel located in Leeville
 - C. Construction & Development Committee
 - 1) Consider accepting the low bidders for the semi-annual construction materials
 - 2) Consider approving the Change Order from Huey Stockstill for the Asphalt Roadway project
 - 3) Consider approving the Substantial Completion Certificate from Huey Stockstill for the Asphalt Roadway project.
 - 4) Consider adopting the DOTD resolution to advertise for the 1100' Dredging project
 - 5) Consider accepting the proposal for Industrial Housing at the Airport
 - 6) Consider accepting the architect/engineer proposal for the Multi Agency Response Center
 - 7) Consider approving the PSGFY08 Contract with Lafourche Parish Sheriff's Office
 - 8) Consider approving the PSGFY08 Contract with LOOP
 - 9) Consider approving the Agreement with Maritime Information Systems, Inc. to host AIS Receiver
 - D. Finance Committee
 - 1) Consider payment of June invoices and recognize expenditures over \$10,000
 - 2) Consider approving June Financial Statement
 - 3) Consider revising the delinquent rental collection policy
- VII. Any other business
- VIII. Public Comment
- IX. Adjournment

OFFICIAL PROCEEDINGS OF THE GREATER LAFOURCHE PORT COMMISSION
July 14, 2010

The Board of Commissioners of the Greater Lafourche Port Commission met in regular session on Wednesday, July 14, 2010 at 10:30AM.

President Griffin called the meeting to order and Secretary Collins called roll.

ATTENDED: Perry Gisclair, Jimmy Lafont, Donald Vizier, Wilbert Collins, John Melancon, Larry Griffin, Jimmy Guidry, and Ervin Bruce

ABSENT: Chuckie Cheramie

Upon motion by Perry Gisclair and second by Wilbert Collins, the board unanimously approved the minutes for June 9, 2010 regular meeting and June 23, 2010 special meeting.

President Griffin veered from the agenda to introduce Mr. Scott Duet. Mr. Duet thanked the board for the opportunity to introduce the new USCG Captain of Morgan City Jonathon Burton. Mr. Duet stated that Captain Burton has been in the Coast Guard since 1983 and served in a variety of positions in marine safety and environmental protection. He was the Deputy Commander in Maryland, Planning and Budget Officer of Marine Safety and Security at the USCG Headquarters, Commanding Officer of the Marine Safety Unit in Lake Charles, Chief of Port Operations in Port Arthur, Texas, on the staff at the USCG Headquarters in the Marine Safety and Environmental Division, and a staff officer at the Marine Safety Crew in Philadelphia.

Captain Burton then addressed the board and introduced Blake Walberm at MSU and Mark McManus from Houma who also attended the meeting with him. Captain Burton then explained how the USCG is involved with the oil spill. He stated that the Incident Command Center that was created brought in a lot of people from the outside to handle the oil spill so that Houma and Morgan City can service primary customers. The Unified Command Center is in Roberts, LA under Admiral Thad Allen. The main Incident Command Centers that are covering the oil spill cleanup are in Houston, Houma, and Mobile. Houston is primarily concentrating on securing the source, Mobile is covering the Mississippi and Alabama regions, and Houma is focusing on Louisiana where most of the impact has been.

Captain Burton stated that he has spent time in the Gulf region before and requested to come back. Our goal as a unit is to facilitate your needs with commerce, as well as figuring out this oil spill and future impacts. It is a partnership to work together. We have to enforce rules and you have to obey but at the same time gain a partnership. We plan to keep the office in Galliano and may reorganize with more staff rotations to maintain a broad range of inspectors and provide the best customer service we can.

The local units are doing the oil sampling for oil spills to identify the responsible party. He stated that there was an issue of the safety zones around the booms which was done following a request from the Parish President because the booms were getting damaged. It was not done to keep the press away or anyone else. There is always a balance when a spill happens of facilitating commerce and cleaning up the oil spill. If at anytime someone needs to pass, please contact the USCG to work through the issue.

Captain Burton then reminded all boat owners to report any incidents at night to Houma as well as the local unit so that they can be resolved quickly. Director Chiasson thanked Captain Burton for being here and stated that the Port always had a good relationship with the USCG. Mr. Brent Duet stated that he was involved when the Port allowed USCG to have an office in Galliano. He stated that it is very important to have that resource close by to solve any problems and thanked the board.

President Griffin veered from agenda to introduce General Hunt Downer. General Downer addressed the board and announced his candidacy for Congress for the 3rd Congressional District. He then expressed his reasons for running for Congress.

Executive Director's Report

Director Chiasson showed the board the red ribbon he was wearing which symbolizes the Gulf Economic Survival Team to Stop the Moratorium.

Northern Expansion - Engineer Larry Picciola reported that the Slip B East Bulkhead project is moving along. There are 2 concrete deadman left to pour. He stated that the contractor has been delayed by weather which will be presented to the board in a change order at a later date. Engineer Picciola stated that the Slip B Asphalt Dudley Bernard Road is complete. The substantial completion certificate and a deduct change order of \$94,204.91 is on the agenda for approval today. Engineer Picciola stated that the plans and specs for the 1100' Dredging project have been approved by DOTD with a few comments. Advertising should begin in August.

Airport Projects – Jason Duet reported that the final inspection of the Approach Lighting project was done yesterday. There were a few minor punch list items that the contractor will take care of next week. He reported that there is 600 ft. left to complete the Airport Drainage Canal project. It should be complete by the end of the month. Davie Breaux reported that the pump and bell housing were installed yesterday for the Pump Station Upgrade project. There are a few items that need adjusting but the project should be complete by next meeting.

FEMA Projects – Director Chiasson reported that we received the FEMA project worksheet for the Bathhouse Repair project in the amount of \$294,000. He stated that we will sign it and send it back for obligation. We can not start building it yet until we receive the approval to relocate since it needs to be elevated. General Downer stated that he worked with GOHSEP in the past and may be able to help get the relocation version done without delaying the project. Commissioner Gisclair questioned if we need to re-advertise, which Director Chiasson replied yes. Director Chiasson stated that FEMA has committed to pay for the engineering cost for the original design since they changed the scope of work.

Port Security and Grant Projects – Laurie Swanson reported that the tension pile testing results were successful for the 400' Communications Tower and Foundation project. We are expecting a change order for an extension of days to present at the next meeting. April Danos reported that the consultant is working on the design and RFP for Phase II MDA – Camera networking improvements. She reported that we received 8 proposals for the Engineer/Architect for the Multi-Agency Security Response Center project. The proposals were evaluated by her, Mr. Breaux and Ms. Swanson. The recommendation is to approve Ritter Maher Architects which is later on the agenda for approval.

Other Port Projects – Director Chiasson stated that the engineer has completed the design and cost for Martin Terminal Slip#1 Bulkhead Repair project. The cost is \$4.5 million and we currently have budgeted \$2.5 million. Director Chiasson and Engineer Picciola met with the Chouest organization to discuss some changes that they were agreeable to on the design. Engineer Picciola will be updating the design and will present an updated cost estimate in the next few weeks. Mr. Breaux reported that the contractor working on the L&L Dock#15 Bulkhead Repairs has started the second 300 ft. section. There is approximately 148 ft. of sheets remaining to install. There are some delays with the high tides. He also wanted to remind all mariners that there is a no wake zone in Pass Fourchon. Commissioner Melancon questioned once this section is complete if it will cover the whole dock, which Mr. Breaux replied yes L&L Dock#15 will be fully repaired. He stated that L&L is also doing repairs to their Dock#16 along Bayou Lafourche.

LA 1 Highway Improvements – Director Chiasson reported that the percentage completion of Phase 1A as of June 30th was 59% complete with 67% elapsed. The completion percentage was adjusted upward by DOTD this month, acknowledging the contractor's stockpiled pre-cast materials on hand. The new Caminada Bay Bridge going to Grand Isle is now 12% complete. Concerning proposed legislation to grant free passage for residents living south of the Leeville Bridge, this legislation passed on the last day of the session, and has now been signed into law by the Governor. The Coalition remained against amending the toll rate schedule in any way, and was disappointed by the outcome. We hope the toll rate will not be raised on the citizens of 63 other parishes, including Lafourche, to give one town preferential treatment. Speaking of toll revenues, the chart on the screen shows that the revenues

continue to be about 20% below the 2005 bond sales document estimates, however, the state maintains that at 80% of projections the revenue will be adequate to meet the debt retirement schedule.

Moving on to Phase 2: updating you on right of way (r/w) acquisition work, out of 21 r/w ownerships within the Phase II project area, 11 have now been acquired, 7 are being negotiated, 2 are on hold pending r/w map revisions, and 1 is pending in court. The pre-construction geotechnical work is proceeding with 10 land borings, 15 land cone penetrometer tests, and 2 marsh borings are now complete. 9 marsh borings and 31 marsh cone penetrometer tests are scheduled in July within the r/w. Concerning the \$4 million needed for design of the Phase II segment, the Coalition has now requested a meeting with Secretary Moret at the LA Dept. of Economic Development concerning an application for the needed design money to LED's Economic Development Infrastructure Program. Henri will update you on that next meeting. Finally concerning securing \$300 million of construction funding for Phase II, the Coalition has submitted the required pre-application to the U.S. Dept. of Transportation for a \$100 million request to the National Infrastructure Investments Grant program, commonly known as the Tiger II Grant program. Henri is still working on state and other matches for this request, and the final application will be submitted in late August.

Gulf of Mexico Oil Spill – Director Chiasson updated the board on the oil spill response efforts. He presented a slide that displayed the boom placement in and around the port area. There are 150,700 ft of containment boom deployed with 41,000 ft available. There are 751,480 ft of absorbent boom deployed with 194,480 ft available. There were 4,070 bags of contaminated debris picked up yesterday which brings the total to 119,991 bags recovered to date. There are 899 personnel working in the area with 419 on the beach, 336 on water vessels, 55 workers in the decontamination area, and 88 working night operations. There are 24 hour operations at night working during the shallow water periods on the beach. There are 3 skimmers in Belle Pass and 2 skimmers in south Lake Raccourci. Today there are 5 vessels at decontamination station getting their vessels cleaned. There is also a suction barge in Belle Pass waiting for any oil that comes up. Mr. Breaux stated that from this morning's meeting they are pushing for Houma to open additional decontamination areas to have in place for when the well is capped to have the vessels cleaned. He also reported that they will be placing boom in all new breaches that were done during Hurricane Alex. The boom will remain in place for any other storm. Director Chiasson reported that we did feel some effects from Hurricane Alex with much of the beach being overtopped with water. The HESCO baskets did hold up well with some damages and the vinyl sheet bulkhead did hold up until the water overtopped. This was put in place to block the oil not water. We are addressing those concerns for future storms with the Parish, USCG, BP and the National Guard. We need elevation on the beach and the HESCO baskets can provide that. We are working with the National Guard to possibly get lighter equipment on the beach to place more HESCO baskets to protect the marsh land.

Moving on to the Vessel of Opportunity (VOO) program: there were some concerns regarding the vessels coming into the levee system with oiled booms. We have since addressed that with the USCG and Commander Sue Boss is here today along with David Hill a BP representative to answer any questions about the program and ways to keep the integrity of Bayou Lafourche. Commissioner Gisclair questioned if the concern will be addressed by making more decontamination stations or changing procedures, which Mr. Hill replied that the VOO program requires the vessel to bring up out of the water any hard boom and place it on their decks. Any oiled hard boom can be cleaned with absorbent boom which is disposed of. The additional decontamination areas are for cleaning up the number of vessels once the leak is stopped. Commissioner Gisclair stated that there were some larger vessels that came in for the storm in Bayou Lafourche with yellow hard boom with oil dripping on the deck, which Mr. Hill replied that is unacceptable and we are addressing that to make sure it does not happen again. Commander Boss stated that it is a combination of procedural and capacity. We haven't reached the point that capacity has been exceeded so at this point we are focusing on procedures and we are keeping an eye on this and notifying the right people to give them training. It is a team effort and the issue of better training procedures. Commissioner Guidry questioned the cooperation with the local boat owners and the vessels, which Mr. Hill replied that the vessels working in the VOO program are doing a great job.

Director Chiasson stated that he did attend the hearings of the National Oil Spill Commission. There are 7 members on the panel two of which are Donald Bosch and Francis Ulmer. They were in Houma attending meetings and on Saturday along with other local officials they toured Fourchon. We had the opportunity to explain what was going on here on a local level. Yesterday, Parish President Randolph testified to the Commission. Her remarks were received and getting some press in the papers. Director Chiasson stated that he was not invited to testify but did make comments during the public commenting period. He spoke briefly on the Port, what we do and how the oil spill and moratorium/suspension is affecting the Port and jobs. He mentioned that the board has been advocates for coastal restoration since the beginning. He also mentioned that the 37% of deepwater revenue sharing that we are suppose to receive in 2017; we need those funds now and we can't wait to see the impacts of coastal land loss here and the surrounding area. Commissioner Lafont concerned of the reason why Director Chiasson was not invited to testify. He stated that the last 2 times the U.S. President came to the area we were not invited and now Director Chiasson was not invited to testify, does someone not like us or something? Director Chiasson stated that he wasn't sure why but if there is another avenue to be heard we make it known.

Director Chiasson stated that on Monday Secretary of the Interior Ken Salazar issued a suspension of deepwater drilling. It states that the temporary pause on deepwater drilling will provide time to implement recent safety reforms and for: 1) The submission of evidence by operators demonstrating that they have the ability to respond effectively to a potential oil spill in the Gulf; 2) The assessment of wild well intervention and blowout containment resources to determine the strategies and methods by which they can be made more readily available should another blowout occur; and 3) The collection and analysis of key evidence regarding the potential causes of the April 20, 2010 explosion and sinking of the Deepwater Horizon offshore drilling rig. It also includes a deadline of November 30, 2010 however it states right after that he reserves his authority to change the time frame if he sees fit. Director Chiasson stated that if they want to push this longer they can. This is the next fight we need to be apart of to get this lifted.

Director Chiasson reported on the tenant concessions for Port tenants. He stated that landowners have basically agreed to the concessions because of the importance of the Port and maintaining the relationship with our tenants. We will have an agreement put together with the landowners to discuss at our next meeting. We have received several responses from the tenants thanking the board for reducing basic land rental by 30% and the freeze on the 5% annual escalation for this year.

Director Chiasson stated that on Wednesday of next week he and Parish President Randolph will speak at the Offshore Marine Services Association (OMSA) regarding the moratorium and Port Fourchon and the affects to the Parish. He stated that OMSA is very interested in what is going on in the area to help the businesses working in the Port. He stated that on Thursday he will be attending the AAPA Port Security Seminar along with Ms. Danos and Chief Callais presenting the Port response and the affect on Port business and the security in the Port.

Director Chiasson recognized Ms. Cathy Norman with Wisner to address the board. Ms. Norman thanked the Port for the ongoing support with the oil spill and securing the property. In terms of the beach, the HESCO baskets for the most part worked and were great to have on the beach. She wanted to point out that even with a small storm in the Gulf it makes it apparent of how quickly the beach is eroding away and how vulnerable the shoreline is. In reference to the tenant concessions, she didn't have anything in writing but the committee agreed to support the 30% reduction. She then made the board aware that the Wisner organization may bring in from \$200,000 to \$500,000 a month and with the additional hit of a \$53,000 reduction with the concessions, the organization is also incurring expenses of \$60,000 to \$80,000 a month due to the oil spill that has not been reimbursed which causes financial distress. She was told Lafourche Parish received \$8 million in claims and she is wondering where this money is going because Wisner has not received anything. Wisner does feel that the Port tenants are important along with the relationship with the Port and is also anxious to have this moratorium lifted. We will have some type of agreement stating that Wisner allows the concessions for the short period but will be reserve the right to recoup from BP. Director Chiasson thanked Cathy for their cooperation.

Committee Reports

Executive Committee - Chairman Griffin reported that the committee met on June 23, 2010 at the Administration Building in Galliano. Present was Larry Griffin, John Melancon and Wilbert Collins. Jimmy Lafont was absent. The commission also met on July 12, 2010 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 Perry Gisclair and second by Wilbert Collins, the board unanimously adopted the resolution supporting the South Central Planning and Development Commission for funding through the National Infrastructure Investments Grant Program.

Upon motion by Wilbert Collins and second by Jimmy Guidry, the board unanimously approved the request from Mad Trucking to assign lease to Hydro-Carbon Flow Specialist.

Upon motion by John Melancon and second by Jimmy Guidry, the board unanimously approved the requests from Bollinger-Fourchon for a 3rd Amendment to Landlord Waiver for 502 lease sites and a Landlord Waiver for sites subleased from L&L Oil and Gas Services (501-16B and 501-16C).

Upon motion by Ervin Bruce and second by Perry Gisclair, the board unanimously approved the Estoppel Certificate by US Liquids of LA for the acquisition of stock with R3 Treatment Inc.

Upon motion by Jimmy Lafont and second by Wilbert Collins, the board unanimously approved the request from SURF Subsea to lease 8.26 acres of property with 600 linear feet of waterfront along Slip B in the Northern Expansion and the implementation fee already paid by Deep Marine Technology will go toward this lease agreement.

Upon motion by Ervin Bruce and second by John Melancon, the board unanimously approved the LOOP Drainage Servitude at the Airport with annual payment of \$3,500. Mr. Breaux stated that the amount was calculated by a percentage of property and water flowage which will be tested prior to entering the airport reservoir.

Upon motion by Jimmy Guidry and second by Wilbert Collins, the board unanimously approved the Amendment to Lafarge property on Flotation Canal Road (GLF108) an increase of 17,685.47 square feet of property.

President Griffin presented for the board's consideration the Landowner Lease Extension for L506 and L334 Front Commercial Marina. Bryce Autin stated that this would be a new lease for property and servitude with LL&E and Wisner. This has been requested in the past for companies looking to invest in site improvements but had the concerns of the duration of the lease. He stated that this new lease is similar to the Northern Expansion lease with the landowners and includes safe guards and provisions to extend with a 25 year primary term with 2 additional 10 year options. He has been working with Wisner to get this agreement approved and the question is if LL&E will agree to this as well. He recommended approving the same agreement with both Wisner and LL&E. Upon motion by John Melancon and second by Ervin Bruce, the board unanimously approved and does hereby authorize President Larry Griffin to execute on its behalf an amendment to the leases with the Edward Wisner Trust dated October 21, 1980 (L334) and May 1, 1987 (L506), respectively and covering that area commonly referred to as Front Commercial Marina, generally including language similar to that included in the Port's Northern Expansion lease and extending the leases to 25 year term with 2 additional 10 year options. Be it Further Resolved that the Board of Commissioners also approves and does hereby authorize President Larry Griffin to execute on its behalf an amendment substantially similar to that with the Edward Wisner Trust contemplated above with Louisiana Land and Exploration Company or its successor for the leases dated September 30, 1980 (L334) and May 1, 1987 (L506), respectively and also covering Front Commercial Marina.

Permits & Waterways Committee – Commissioner Gisclair reported that the committee met on June 23, 2010 at the Administration Building in Galliano. Present were Larry Griffin, Perry Gisclair, and Chuckie Cheramie. Jimmy Lafont was absent. The committee also met on July 12, 2010 at the Administration Building in Galliano. Cheramie was absent. The Commission then discussed items that were discussed at the committee meetings.

Commissioner Gisclair presented to the board permit applications from Castex Energy, Inc.; Maritech Resources, Inc.; Chevron Pipeline Company; and Apache Corporation.

Commissioner Gisclair presented for the board's consideration the sunken vessel in Leeville. Director Chiasson stated that the Harbor Police made contact with the owner who stated that her father was suppose to lift the vessel however that has not taken place. We then requested that she submit a removal plan in writing which has not been received. Mr. Autin stated that 30 days have passed since the advertisement and also 30 days have passed since the letter was delivered on June 4th. Upon motion by John Melancon and second by Perry Gisclair, the board unanimously approved to remove the vessel and bill the owner any expenses incurred for the 29 ft. fiberglass hull with identification number LA-5232-AN found in Bayou Lafourche at Griffin's Seafood in Leeville, LA.

Commissioner Collins exited the meeting.

Construction & Development Committee – Chairman Bruce reported that the committee met on June 23, 2010 at the Administration Building in Galliano. Present were Ervin Bruce, Larry Griffin, and John Melancon. Vizier was absent. The committee also met on July 12, 2010 at the Administration Building in Galliano. All members were present. Commission then discussed items that were discussed at the committee meetings.

Upon motion by Ervin Bruce and second by Perry Gisclair, the board unanimously accepted the low bidders for the semi-annual construction materials subject to the tie for Gabion Stone (Golden Meadow-South) being settled with contractors. Mr. Autin stated that if the tie is not settled we will go out to re-bid the Gabion Stone for Golden Meadow South along with the Bahamian stone.

Upon motion by Jimmy Lafont and second by Jimmy Guidry, the board unanimously approved the Change Order for a decrease of \$94,204.91 from Huey Stockstill for the Asphalt Roadway project.

Upon motion by Ervin Bruce and second by Jimmy Guidry, the board unanimously approved the Substantial Completion Certificate dated June 28, 2010 from Huey Stockstill for the Asphalt Roadway project.

Upon motion by Ervin Bruce and second by Jimmy Guidry, the board unanimously adopted the DOTD resolution to advertise for the 1100' Dredging project. Commissioner Gisclair stated that the last dredging project the contractor left the site and ended up paying liquidated damages. He questioned if there is a way to prevent this from happening again. Mr. Autin stated that he will look at the provisions and discuss this with DOTD on a way to address this in their contract or the proposal.

Upon motion by John Melancon and second by Ervin Bruce, the board unanimously accepted the proposal from Terrebonne Lodges, LLC to lease 17,599.73 square feet of property at the Airport for Industrial Housing.

Upon motion by Jimmy Guidry and second by Ervin Bruce, the board unanimously accepted the architect/engineer proposal from Ritter Maher Architects, LLC/ADG for the Multi Agency Response Center.

Upon motion by Ervin Bruce and second by Jimmy Lafont, the board unanimously approved the 2008 Port Security Grant Program Contract with the Lafourche Parish Sheriff's Office (LPSO). Director Chiasson explained that the Port Commission is the fiduciary agent for this grant program which LPSO and LOOP will be receiving funds through the 2008 grant. The agreement states that they will also follow all the rules and regulation.

Upon motion by Ervin Bruce and second by John Melancon, the board unanimously approved the 2008 Port Security Grant Program Contract with LOOP, Inc.

Upon motion by Ervin Bruce and second by Jimmy Lafont, the board unanimously approved the Agreement with Maritime Information Systems, Inc. to host the Automated Information Systems (AIS) Receiver. Director Chiasson stated that this is to rent space to install and maintain equipment located at our Operations Center.

Finance Committee - Chairman Melancon reported that the committee met on June 23, 2010 at the Administration Building in Galliano. Present was John Melancon, Larry Griffin, Jimmy Guidry, and Wilbert Collins. The committee also met on July 12, 2010 at the Administration Building in Galliano. All members were present. The Commission then discussed items that were discussed at the committee meetings. Commissioner Collins returned to the meeting.

Upon motion by John Melancon and second by Jimmy Lafont, the board unanimously approved the payment of June invoices and recognized expenditures over \$10,000.

Upon motion by John Melancon and second by Jimmy Guidry, the board unanimously approved the June Financial Statement.

Chairman Melancon presented for the board's consideration revising the delinquent rental collection policy. He stated that he likes the way it works now does not want to change it. Commissioner Melancon motioned to keep the policy as is which was seconded by Ervin Bruce and the floor was open for discussion. Commissioner Gisclair questioned why this was brought up again, which Commissioner Vizier replied that he brought it up because we have a tenant that plays with the policy. He stated that the last 5-6 years this tenant has been taking advantage of the loop hole in the policy. It states that a registered letter shall be sent to lessee placing them on formal notice of default. The Lessee shall then have 30 days to cure said default. Default shall be deemed cured if total delinquent rental is paid within the 30 day notice period. If total delinquent rental is not paid within the 30 day notice period, the Commission shall pursue any of the rights of default given to it in the lease including lease termination. He stated that you are giving this tenant 90 days and on the last day he comes give a check to get out of default. The tenant has been playing with the 60 days and taking advantage of the situation. He feels that we should go back to the language in the original lease.

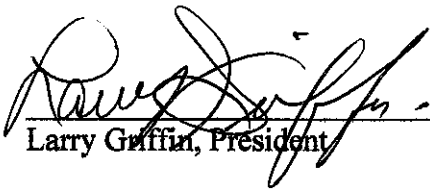
Mr. Autin stated that in the lease if the tenant does not pay by the due date we give a notice of default and the tenant has 30 days to bring rentals up to speed. In that case you can have 2 months rent that they have to pay at one time. He stated that the policy gives 60 days before we send the notice of default then the tenant has 30 days to pay which ends up being 3 months of rental or the board can move to cancel the lease. This gives tenants the opportunity to basically delay payment for 90 days knowing that after 60 days they have 30 days to bring it up to date. The policy is more lenient than the rights of the lease. The discussion took place to revise the policy however the staff's recommendation is that if the board wants to revise the policy we just follow the lease. Melancon stated that in the past when a tenant was in default they would only pay one month's rent to get out of default. He stated that is why we came up with this policy that once a tenant is in default they would have to pay the total delinquent amount when the 90 days is over. Commissioner Lafont stated that if we are not changing the policy why we need a motion, which Mr. Autin replied it doesn't hurt to make a board statement to continue to follow the policy. Lafont questioned how many tenants in Port, which Director Chiasson replied 121. Lafont stated and only one there are issues with he believes nothing should be changed. Vizier agreed with Melancon that after 90 days he pays the total delinquent amount however what happened that he only paid one month on this report. Mr. Autin replied that it happened that the default letter was sent around the same time that a payment was made. The tenant has made one payment however he has 30 days to make the remaining 2 payments by August 9th. Mr. Autin stated that this tenant always comes through and pays by the deadline. Gisclair stated that at the stage we are in we should not change any policy. Vizier agreed to go along with the existing policy as long as it is being enforced, which Mr. Autin replied it is being enforced as the policy states.

Commissioner Guidry questioned how legally binding is the policy compared to the lease contract, which Mr. Autin stated that the contract is binding between the Port and the tenant. The policy is more of a direction on how to collect on delinquent rentals which can be changed at anytime. Guidry questioned if the policy needs to be implemented for one and all, which Mr. Autin stated that it is within the board's discretion to change something. Guidry stated that if it gets out of hand we can do something about it, which Mr. Autin replied the board has the option if a tenant is having trouble paying rent they can address the board. Director Chiasson stated that it has always been the practice of the board to treat everyone the same which is a good policy to continue however we do have the ability to change something for a specific tenant. Director Chiasson stated that the administration will review the policy and look to see if we can make this better. Vizier stated that his concern was not to cancel a lease because in the past we worked with tenants who had trouble paying rental, it was to stop this one tenant from taking advantage of the policy. Lafont questioned why the staff is going to work on this after, which Director Chiasson replied that it is his job to review any policy that the board is questioning to see if there is a better way and present results to the board. The board then voted to keep the delinquent rental collection policy the same which resulted in all yeas.

President Griffin presented under any other business the board's consideration to add to the agenda the landlord waiver from Offshore Cleaning Systems (OCS). Upon motion by Jimmy Guidry and second by Perry Gisclair, the board unanimously approved adding this request to the agenda. Mr. Autin stated that this is a similar agreement that was approved earlier with Bollinger-Fourchon. The landlord waiver with OCS is regarding refinancing and/or borrowing money from the bank and allows the bank to take a security interest in moveable property and take the property if OCS defaults on their loan. Upon motion by Jimmy Lafont and second by Jimmy Guidry, the board unanimously approved the landlord waiver with OCS.

Upon motion by Jimmy Lafont and second by Jimmy Guidry, the board adjourned the regular meeting.

ATTEST:


Larry Griffin, President


Wilbert Collins, Secretary