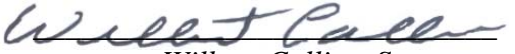


- VI. Committee Reports
- A. Executive Committee
- 1) Consider approving the request from Cal Dive International, Inc. to assign lease to Cal Dive Offshore Contractors, Inc.
 - 2) Consider approving the request from Cal Dive Offshore Contractors, Inc. for a landlord Agreement
 - 3) Consider approving the request from Offshore Inland Marine to lease property along AJ Estay Road
 - 4) Consider approving the summer employee applicants
- B. Permits & Waterways Committee
- 1) Review permit applications from Discovery Gas Transmission; Apache Corporation
- C. Construction & Development Committee
- 1) Consider awarding the lowest responsive bid for the Communications Buildings
 - 2) Consider approving the Substantial Completion Certificate from Picciola Construction for the Boat Lift Extensions
 - 3) Consider approving Change Order No. 1 from Ernest P. Breaux for the Telecommunications Infrastructure project
 - 4) Consider approving the Supplemental Agreement from DOTD regarding the LA 1 Project
- D. Finance Committee
- 1) Consider payment of April invoices and recognize expenditures over \$10,000
 - 2) Adopt the adjusted millage rate for the tax year 2011
 - 3) Set forth the adjusted millage rate and roll forward to millage rate not exceeding the maximum authorized rate for the tax year 2011
 - 4) Consider approving 2010 Financial Audit
- VII. Any other business
- VIII. Public Comment
- IX. Adjournment


Wilbert Collins, Secretary
Greater Lafourche Port Commission
P.O. Drawer 490, Galliano, LA 70354
(985)632-6701

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OFFICIAL PROCEEDINGS OF THE GREATER LAFOURCHE PORT COMMISSION
May 11, 2011

The Board of Commissioners of the Greater Lafourche Port Commission opened the meeting with the scheduled Public Hearing to consider levying increased millage rate after reassessment and rolling forward millage rate not exceeding the prior year's maximum rate. There was no public comment. The public hearing was adjourned.

The Board of Commissioners of the Greater Lafourche Port Commission met in regular session on Wednesday, May 11, 2011 at 10:30 AM immediately following the public hearing.

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

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

ABSENT: None

Upon motion by Donald Vizier and second by Wilbert Collins, the board unanimously approved the minutes for April 13, 2011 regular meeting and April 18, 2011 special meeting.

Executive Director's Report

Northern Expansion – Engineer Larry Picciola reported that the contractor is on site for Slip C Bucket Dredge. They have not reached the back of the slip yet during this first pass. They are dredging approx. 400 ft. per day. Engineer Joe Picciola reported that the Adam “Ted” Gisclair Roadway, Phase I project is complete and in the lien period. He stated that for Phase II asphaltting of the roadway from N.J. Theriot Road to GOL Docks, the plans are complete and have been submitted to EDA for approval. Once approval is received, the project will be advertised for bids. Engineer Joe Picciola reported that the contractor American Bridge continues to drive timber piles for Slip B 1871 LF Bulkhead project. They have driven the piles for 17 deadman and poured concrete on 8 deadman. They are also driving steel sheets.

Airport Projects – Joe Wheeler reported that we will not be able to do the complete Parallel Taxiway “A” South Paving project due to FAA funding of only \$1.5 million. We will be looking at projects that can be done with the funding available. The aircraft activity for April was 1,055 operations which is 400 more than in March. Chiasson stated that we are seeing positive impacts at the Airport with the increased operations in the last few months.

FEMA Projects – Engineer Larry Picciola reported that the contractor is not on site for the Flotation Canal Shoreline Protection project because they had problems bringing in the rock barges due to the high river tides. They were able to install 8 barges of rock which is half of the project quantity.

Port Security and Grant Projects – Engineer Shawn Keller reported that the angles were delivered on site Monday for the Communication Tower and Foundation project; however the contractor was not on site and is expected to return next Tuesday. The u-bolts that were missing have been ordered and should be delivered today. We are still requesting that before the fourth tower inspection is done, that the contractor submits to the Port confirmation that all discrepancies have been repaired correctly. The tower inspector is a third party independent contractor with no affiliation to the engineer, the Port, or the contractor. The Telecommunication Infrastructure project is on hold until the tower project is completed. There is a change order on the agenda (a requirement from Entergy for meters) which will extend the contract time 56 days because of the delays with the tower project and communication shelters. The bids for the Communication Buildings were received on May 2nd. There were 2 bidders Cellxion for 2 concrete shelters for \$91,100.00 and Dupont for 2 fiberglass shelters for \$99,910.00. The

engineer is recommending approval of Cellxion's bid for \$91,100. April Danos reported that there was a kick off meeting on May 2nd with Prime Controls for the Camera Networking Improvements project. The work trailer is expected on site tomorrow and we will issue the notice to proceed on May 16th. The architects are working on the preliminary design for the Multi-Agency Emergency Response/Operations Building.

Other Port Projects – Engineer Larry Picciola reported that the materials are being assembled for Martin Terminal Slip #1 Bulkhead Repairs. They should start next week with actual construction. Some excavation was done on one side of the building to relieve the pressure along the bulkhead to prep for lightweight aggregate. Chiasson stated that the N.J. Theriot Road Culvert Replacement has been completed. Engineer John Plaisance reported that the Boat Lift Extensions project is substantially complete and on the agenda for approval. Engineer Plaisance stated that the Nerby Collins Marina Steel Bulkhead Repair is still on hold due to litigation. The contractor Kostmayer has extended their bid until the end of June. Mr. Breaux reported that the contracts have been signed and recorded with Regional Electric for the Administration Building Generator By-Pass project. The main equipment has been ordered and within the next few weeks installation will be done on a weekend since the power needs to be shut down to the whole building. Lafont questioned if they are a local contractor, which Breaux replied yes.

LA 1 Highway Improvements – Chiasson reported that Mr. Boulet is at the NIMSAT Institute this morning receiving an update on the LA 1 Consequence Analysis. He then reported that on Phase 1A of the LA 1 Project between Port Fourchon and Leeville, the project was 88.0% complete as of March 30th, with 87% of time elapsed. The revised completion date is October 10, 2011. Moving on to Phase II, the geotechnical work in the 8.3 mile R/O/W, all marsh borings have been completed. They are working on 102 remaining cone petrometer tests which should finish in June. DOTD held an interagency meeting on April 20th to discuss Phase II's segmentation with regulatory agencies. All agencies including permitting officials with the Corps and LA DNR understood the need for segmenting the project. DOTD reports all tapping and testing of unidentified pipes within the 8.3 mile R/O/W are complete. All unidentified pipelines were determined to be inactive. DOTD is finalizing the pipeline mapping drawings. The construction access canal and relocated Bollinger Canal plans are now 80% complete. DOTD plans to meet with the 3 remaining landowners in the next month to discuss mitigation.

Concerning funding for design of Phase II from Golden Meadow to Leeville, DOTD has asked for \$4 million in the 2012-2013 FY from the Capital Outlay Program to proceed with design. We will know results of this Capital Outlay Request by the end of this regular legislative session. It was helpful that 9 legislators in the Bayou Region delegation of Lafourche, Terrebonne, and Grand Isle, stated in a support letter to the Governor that this was the region's most significant transportation need. The Coalition will be monitoring the National Register for an expected announcement in June of grant funding available through the USDOT, called TIGER 3. NOAA's inundation study on the highway, and hopefully Homeland Security's "LA 1 Consequence Analysis" would strengthen our application significantly. On other highway projects in the area: the new Bayou Lafourche Lift-Span Bridge at Larose is 44% complete, and the Caminada Bay Bridge is 54% complete.

Gulf of Mexico Oil Spill – Chiasson reported that the cleanup has halted due to birds nesting in the area. The guard shack has been removed and the Harbor Police are no longer working in that area for BP. There is a roadblock to the beach with no public access. With the weather and tides, tar mats are still being found and once clean up can begin again it will.

Cathy Norman with Wisner addressed the board. She reported that they are still finding contamination on the beach. The nesting areas are extensive therefore we shut that area down. There have been archeological findings on the beach as well. There are some concerns that BP won't come back to cleanup however we hope to have meetings in the near future regarding their long term plans. There has been some confusion of whether they entered the maintenance and monitoring phase or still in clean up phase. Wisner's position is that they should still be in the active cleanup stage. We do not need the aggravation of having people try to go out there. Since there is no longer any surveillance, if

problems occur with people trying to access the beach they will contact BP to put law enforcement back. Vizier questioned if she feels the beach will open this year, which Ms. Norman replied no. They would be trespassing, putting themselves at risk, and putting nesting bird areas at risk.

Currently the Natural Resource Damage Assessment (NRDA) that is being done by the government and BP have not started yet and any disturbance will impact what they are trying to do as well as the ongoing cleanup. We are not sure how long the nesting bird area will last and they are not allowing anyone on the beach because of that. Since the oil spill, the natural resources on the beach have gotten a great deal of recognition with the focus of endangered species and archaeological findings. These areas may never be able to be occupied again. As of right now there is no heavy equipment allowed for cleanup. Guidry questioned if there is still a roadblock, which Chiasson replied yes.

Chiasson reported that he and Mr. Breaux will meet with BP tomorrow to discuss the cleanup effort of the boudin bags for the beach project and how to move forward. Regarding the loss of revenue claim, we met with lobbyist Patton Boggs yesterday to talk about the claim and how to move forward, which we will keep you updated. He stated that this afternoon he along with Mr. Breaux, Mr. Autin, and Mr. Rome will be meeting with the Marine Well Containment Company regarding the possibility of them having response activities in Port Fourchon. This would be if a spill of this magnitude would happen again. Collins questioned the Marine Well Containment, which Chiasson replied that it is a group of major oil companies based out of Houston that have funded a containment system to handle a spill larger than the BP oil spill. Chiasson stated that there is also another company the Helix Energy Solution that has put together a system formed from independent owners.

Chiasson stated that currently there are 14 deepwater permits issued since Feb 28th. The most recent 4 issued or for Shell on April 18th, E&I Petroleum on April 27th, Shell on May 6th and ExxonMobil on May 6th. All indications are that 2 of the 4 will be serviced out of Fourchon which brings the total of 12 serviced out of Port Fourchon. Lafont questioned the judge that ruled the government has to process 5 more permits due to violations, which Chiasson replied that yesterday the federal court ordered that BOEMRE had 30 days to issue the permits which were originally halted by Ensco Offshore.

Caminada Headland Beach and Dune Restoration Project – CIAP – Mr. Michael Poff with Coastal Engineering Consultants gave a presentation regarding the upcoming project. The plan for the CIAP portion of the Caminada Headland Restoration main focus is getting the sand to the headland area, present schedule, and start the dialogue with the stakeholders. The project goals are to address the severe erosion of the headland with sediment, protect and sustain the coastal habitats, reduce the wave energy and saltwater intrusion of back bays, provide storm damage reduction, and provide sediment source to sustain barrier breaches of the headland. The master project is known as the Barataria Basin Barrier Shoreline restoration project (BBBS). It is part of the Louisiana Coastal Area (LCA) study which Coastal Engineering Consultants put together in 2005 then Hurricane Katrina hit which that process has now been elongated into 5 years or beyond. The state has received CIAP money and surplus money put toward CIAP to move forward. The goal of the state is to have that be there cost share of BBBS project and get credit for the \$70 million being spent on this portion of the project. The footprint on the headland will fit within the BBBS project.

The headland area is from Caminada Pass to Belle Pass to restore the beach and dunes and closing breaches. There is also a marsh component part of BBBS project but not part of CIAP portion. Mr. Poff then reviewed the cross sections at the Belle Pass jetties and Caminada Headland explaining that the width of the dune and beach varies depending on the conditions which will be adjusted to match current conditions. There are 3 different alternatives for the fill: 1) start at the jetties and work from west to east building a template; 2) shift template to the east may get better bang for our buck by closing the breaches and reinforcing that part of shoreline in front of Bay Champagne and let mother nature move the sand from east to west; 3) lower the platform and take dune fill off the top of the beach and spread it along the headland to build more beach which may be better use of funds. The design team will look at those options and come back with a recommendation to the State and the Port Commission.

The next topic to discuss is the corridor options. The sand will come from Ship Shoal from hopper barges. The 3 location options of taking the sand from the barges are 1) inside Belle Pass which they would dredge an area to moor the barge and use pipelines to pump sand onto the beach from west to east; 2) inside Pass Fourchon expect little downtime to the contractor but will need to coordinate with the Port to use a submerged pipeline to pump material onto the beach; 3) offshore corridor will need 30' of water for the barges and will build a temporary jack up platform and pump through a submerged pipeline to the headland building from east to west.

The final topic is the scheduling. They will be collecting data today in the Pass and have a meeting tomorrow with the landowners Wisner and Caillouet to discuss land rights. BP has already been contacted along with the Corps and DNR. The design has already started. The goal is to have a permit submitted in October and plans and specs ready for bid by April 2012.

Lafont questioned if all cuts and breaches will be closed, which Mr. Poff replied that not for this portion of the project with the funds available. The cuts that are in the funded portion will be filled in. Gisclair questioned that with the \$70 million for design and planning how far will that get you to hard dollars to actually start dredging, which Mr. Poff replied that the State had shared for the design and land rights and has slated \$65 million for construction to put the sand on the headland. Gisclair stated that we are unsure of any obstacles with the landowners, what will need to be paid for land rights and mitigation, servitudes, which Mr. Poff replied no we don't know those figures we only have the budget we are working with but the State has done this in other areas so there is an estimate of that cost. Gisclair stated that he thinks the project is great. Today the public can't get access to the beach and here we are talking about pumping sand on the beach. He believes there will be a lot of hurdles to go through and it may be difficult. Mr. Poff stated that they have been working with the State since 2001 and the hardest obstacles to deal with are land rights, oyster leases, and unknown pipes. There are a lot of hurdles to jump through but that is why we are starting dialogue with the Port and the landowners. Vizier questioned how much water is along Ship Shoal, which Mr. Poff replied 28 ft. Vizier questioned what type of dredge will be used, which Mr. Poff replied a hopper dredge or a hydraulic cutter head dredge to fill the barges. Our instinct is to use the hopper dredge to dredge the sand and come to the headland and pump out onto area. Cheramie stated that the project plans look great then mentioned for them to look into a new law that affects Lafourche and Terrebonne Parish that landowners have no rights and the state can take the land which we currently have going on with the levee system. Chiasson stated to Mr. Poff that with the options of the barge locations, we are happy to continue working with you on selecting the best location for the project. Mr. Poff appreciated that and stated that they may keep all three locations on the table to put in the bid specs to get the best price.

President Griffin recognized Mr. Al Danos with the South Lafourche Beachfront Development District (SLBDD). Chett announced that the Port Commission is advertising to receive applications for anyone interested in serving as the Port's recommendation for the open position of the SLBDD. Mr. Danos stated that Chairman Ricky Cheramie was unable to attend the meeting today but wanted him to thank the board for all the help over the years. The SLBDD has decided to try to open the beach for this summer to allow people by foot if not by vehicle in designated areas. Chairman Cheramie and Attorney Pitre are in the process of contacting the landowners and BP to see if something can be put together even if it is a limited area for this summer. Vizier congratulated Mr. Danos on doing a great job and personally thanked him, which Mr. Danos stated it was a pleasure working with the Port.

Committee Reports

Executive Committee - The committee met on April 27, 2011 at the Operations Building in Fourchon. Present was Chairman Larry Griffin, Jimmy Lafont, Wilbert Collins, and Perry Gisclair. The committee also met on May 9, 2011 at the Administration Building in Galliano with Collins absent.

Upon motion by Perry Gisclair and second by Wilbert Collins, the board unanimously approved the request from Cal Dive International, Inc. to assign lease to Cal Dive Offshore Contractors, Inc.

Upon motion by John Melancon and second by Jimmy Guidry, the board unanimously approved the request from Cal Dive Offshore Contractors, Inc. for a landlord Agreement.

Upon motion by Jimmy Guidry and second by Wilbert Collins, the board unanimously approved the request from Offshore Inland Marine to lease property along AJ Estay Road site GLF304-4. Chiasson stated that this property is made available from the previous termination of Mad Trucking's lease dated May 4, 2011.

Upon motion by Chuckie Cheramie and second by Jimmy Guidry, the board unanimously approved the summer employee applicants which are as follows: 2 maintenance leaders chosen are Hobie Leger and Michael Doucet. The three maintenance applicants chosen are Bryan Perry, Ethan Pitre, and Russ Cheramie. The maintenance alternates are: 1stAlt. Ryan Collins, 2ndAlt. Eric Collins, 3rdAlt. Jesse Adams, 4thAlt. Joseph Verdin, 5thAlt. Patrick Guidry, 6thAlt. Gregory Curole, 7thAlt. Russ Vegas, 8thAlt. Michael Callais, 9thAlt. Tyler Wells, 10thAlt. Tyler Danos. The clerical person chosen is Lauren Petty. The clerical alternates are: 1stAlt. Erica Baehr, 2ndAlt. Britney Guidry, 3rdAlt. Nicole Martin, 4thAlt. Kelsie Guidry, 5thAlt. Karen Bruce, 6thAlt. Michael Callais, 7thAlt. Jennifer Gaspard, 8thAlt. Kaylee Terrebonne, 9thAlt. Lani Melancon, 10thAlt. Marie Crosby.

Permits & Waterways Committee - The committee met on April 27, 2011 at the Operations Building in Fourchon. Present was Chairman Chuckie Cheramie, Jimmy Lafont, Perry Gisclair, and Larry Griffin. The committee also met on May 9, 2011 at the Administration Building in Galliano with all members present.

Chairman Cheramie presented for the board's review the permit applications from Discovery Gas Transmission and Apache Corporation.

Construction & Development Committee - The committee met on April 27, 2011 at the Operations Building in Fourchon. Present was Chairman Ervin Bruce, Donald Vizier, John Melancon Jr. and Larry Griffin. The committee also met on May 9, 2011 at the Administration Building in Galliano with all members present.

Upon motion Ervin Bruce and second by John Melancon, the board unanimously awarded the lowest responsive bid to Cellxion in the amount of \$91,100.00 for the Communications Buildings. Gisclair questioned if different considerations were taken since this is a cement building compared to the other bid of a fiberglass building, which Breaux responded that it was considered in the bid specs and we do prefer a cement structure.

Upon motion by Ervin Bruce and second by John Melancon, the board unanimously approved the Substantial Completion Certificate dated April 12, 2011 from Picciola Construction Co. for the Boat Lift Extensions.

Upon motion by Ervin Bruce and second by Wilbert Collins, the board unanimously approved Change Order No. 1 an increase of \$2,586.67 with 56 additional days from Ernest P. Breaux Electrical for the Telecommunications Infrastructure project. Chiasson reported that the increase is due to a requirement of Entergy for a junction box.

Upon motion by Ervin Bruce and second by Perry Gisclair, the board then opened discussion to approve the Supplemental Agreement from DOTD regarding the LA 1 Project. Chiasson reported that the Port previously entered into an agreement with DOTD to fund \$100,000 with two payments of \$50,000 in 2009 and \$50,000 in 2010 for the design of Phase II. He stated that they want to change where the funds will go which is to the geotechnical services. The vote resulted in 8 yeas and 1 nay by Cheramie.

Finance Committee - The committee met on April 27, 2011 at the Operation Building in Fourchon. Present was Chairman Jimmy Guidry, Wilbert Collins, John Melancon Jr. and Larry Griffin. The committee met on May 9, 2011 at the Administration Building in Galliano with Collins being absent.

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

Chairman Guidry presented for the board's consideration to adopt the adjusted millage rate for the tax year 2011. Upon motion by Jimmy Guidry to adopt the adjusted millage rate which was second by Wilbert Collins, the floor was open for discussion. Chaisson stated that this states that we will adopt the 6.84 mills that's currently in place which will need a majority vote to pass. President Griffin then read

the resolution as follows: *“Be it resolved, by the Greater Lafourche Port Commission (“GLPC”) of the Parish of Lafourche, LA, in a public meeting/hearing held on May 11, 2011, which meeting/hearing was conducted in accordance with the Open Meetings Law and the additional requirements of Article VII, Section 23(C) of the LA Constitution and R.S. 47:1705(B), that the following adjusted millage rate be and is hereby levied upon the dollar of the assessed valuation of all property subject to ad valorem taxation within said Parish for the year 2011, for the purpose of raising revenue for the GLPC tax for port operations, repairs, maintenance, and improvements at millage rate of 6.84 mills. Be it further resolved, that the Assessor of the Parish of Lafourche, State of LA, shall extend upon assessment roll for the year 2011 the taxes herein levied, and the tax collector of said Parish shall collect and remit the same to said taxing authority in accordance with law.”* President Griffin accepted any public comments with none the board then voted to adopt the adjusted millage rate of 6.84 mills for the tax year 2011 which resulted in roll call vote of 9 yeas by Cheramie, Gisclair, Lafont, Vizier, Collins, Griffin, Melancon, Guidry, and Bruce.

Chairman Guidry presented for the board’s consideration to set forth the adjusted millage rate and roll forward to millage rate not exceeding the maximum authorized rate for the tax year 2011. Upon motion by Jimmy Guidry to set the adjusted millage rate and roll forward which was second by Wilbert Collins, the floor was open to discussion. Lafont stated that this is a tax increase and he is not for that the port is healthy enough and to show good faith to the public and be good stewards with their money. We just gave a break to our tenants and we will turn around and tax the people. It is a tax increase. Melancon stated that he feels this is more of a renewal than an increase we are talking about one tenth of a mill. A mill is a penny. It is very important to understand our millage just got adjusted and we are voting today that our mill remains at 6.94 and if we give it up we will never get it back. It does not mean that our mills will fall back because we get adjusted by the assessor every 4 years. For the upcoming years, it is important that we renew this millage it is an important mechanism for the future. The Port is generous in what we do we commit funding for the South Lafourche Levee District (“SLLD”) of \$200,000 to help operations of the locks, we are committed to a future boat launch in Leeville of \$100,000, we have a college program for jobs. The Port is a great mechanism in creating jobs and we need to keep in mind it is a renewal and not an increase. Lafont agreed on the support we give to the community in jobs but we are doing this with the same millage we have now. It is a tax increase. We can save the tax payer and it is not going to hurt us.

Vizier stated that in 1961 the public voted for a millage of 5.0 mills. In 1970, it was increased by 2.5 mills to 7.5 mills. There is no other organization in the Parish except for the GLPC and SLLD that put their tax money to work. Right now Morgan City, Houma, and even Thibodaux are in the flood zone from this major flood where there is no problem here because the people voted to tax themselves and we have our own levee system. He agreed that the Port is fat we have money but we need to look into the future 20 to 30 years from now. If the Port needs to borrow money to buy bonds, this is the only thing we have for the future of the Port. A \$100,000 home goes up only 25 cents and a \$200,000 home goes up \$1.50. It is not what we do today it is for the future of the Port. You have to look toward the future and what will be needed for the Port to continue. He stated that next year we can roll it down to 3 mills and keep it there for the next 3 years and he will move for that but he is voting for the people who created this tax to keep it. It is not a new tax we are just rolling up to the maximum we can. Melancon stated that he pretty much rather see the funding in the Port’s hands. We can use it in the community for bayou restoration or boat launches.

Gisclair stated that first no one can get our money. If we roll back other organizations need to go to the people to increase their millage. He then stated that Vizier said that the only ones putting their taxes to work is the GLPC and SLLD. What about the Fire Dist., Ambulance Dist., Hospital Dist., and Drainage Dist. They are also putting taxes to work and not just us. If we can say it is not a new tax then it should stay at 6.84. If we go to 6.94 it is a tax increase and it is not the right time for that. Then Vizier also stated that he promises that we will lower it next year, which Vizier stated no I said that I was going to motion to lower it. Gisclair stated that we can’t promise to lower it because it is the whole

board's decision and once a tax goes up it is hard to roll it back down. The reason we are back from 7.25 to 6.94 was not from us it was because the assessor adjusted the rate and when the properties are assessed again it will be lower. Vizier stated that the GLPC asked for a tax increase twice when other organizations asked for increases 4 and 5 times and he would like to keep it where it is at. Gisclair stated that if we would have no revenue coming in from monthly rental at the Port we would have gone back to the people for an increase. Because of the past commissioners who saw into the future the Port is what it is today and because of the rental and tenants is why we didn't have to go back to the people. We don't need the funds to roll forward to 6.94. Collins stated that he was against putting it down when he first was appointed to the board and he is still against going down today. If we bring it up to the maximum, he believes it should stay there. There are no complaints from the people they are satisfied with what we are doing in Fourchon and along the bayou. They see their money at work.

Lafont stated it is an increase and we can't say we will leave the mill at the maximum because we will be assessed next year and may be knocked down to 6 mills we don't know. We were at 7.25 at one time and they decided to roll it back by 2 mills because of the health of the Port. If you watch the news, it is not a time for an increase. Cheramie stated that he was going to vote for it until someone said something that changed his mind. We are playing dirty dogs because we just gave an organization \$200,000 that collects over \$11 million in taxes a year because they don't want to go back to the people to raise their taxes since they are broke. It is not right for other public bodies that collect taxes to come to us to give them money and we have to raise our taxes. It is wrong and all we are doing is subsidizing their organizations because we are the bad guys now. He will vote against it because he feels that it is time for these other organizations to live within their budgets. It might be only a \$1 increase but the guy who has to pass every day to cross that bridge looking for work it may be a lot to him.

Guidry stated that we can't predict the future and he feels that we need to roll forward with this because we don't know when we will need it for bonds. Vizier stated that Cheramie is mad because we are giving out our money. It is not our money it is public money. There is no money that was wasted. It is the public's money and if we spent \$200,000 to buy the Airport and at the time I thought that was wrong but we also gave money to repair the Clovelly Boat Launch that is for the people. If we give \$200,000 to the SLLD to help them run the locks which I think is our department we control the bayou but it is public money and we are spending it the right way. We never went back to the people because we are doing a great job. The people here that are paying taxes are proud to pay taxes because there are results with it. It is public money and we are spending it on public property. Gisclair said organizations that go back to the people for increases is not because they are not doing a good job it is because they want to do more projects and need bonds. We don't have bond debt and don't have to borrow money.

Cheramie stated he has a problem with tax dollars going to other organizations that were not intended such as taxes for the GLPC going to the SLLD which is misleading the people. Vizier stated that one board member says we are giving money away but he put in the budget to fund the boat launch in Leeville which was his request. Lafont stated that we can beat on this horse all day but some members are hiding like cowards because they don't want to say it is a tax increase. Collins stated that with all organizations when they want something they have to go up on the taxes. He feels that we have a good staff and the money is spent in the right place and the people see that.

President Griffin requested any public comment, with none he then read the resolution as follows: *"Be it further resolved by the GLPC of the Parish of Lafourche, LA, in a public meeting/hearing held on May 11, 2011, which meeting/hearing was conducted in accordance with the Open Meetings Law and the additional requirements of Article VII, Section 23(C) of the LA Constitution and R.S. 47:1705(B), that the taxing authority voted to increase the millage rate, but not in excess of the prior year's maximum rate, on all taxable property shown on the official assessment roll for the year 2011, and when collected, the revenues from said taxes shall be used only for the specific purposes for which said taxes have been levied for port operations, maintenance, and improvements. Said millage rates are the adjusted rate of 6.84 mills and the 2011 levy of 6.94 mills. Be it further resolved, that the Assessor of the Parish of Lafourche, State of LA, shall extend upon the assessment roll for the year 2011 the taxes*

herein levied, and the tax collector of said Parish shall collect and remit the same to said taxing authority in accordance with law. The foregoing resolution was read in full, the roll was called on the adoption thereof, and the resolution was adopted by no less than two-thirds of the total membership of the taxing authority voting in favor as required by Article VII, Section 23(C) of the Louisiana Constitution and R.S. 47:1705(B)." Mr. Autin stated that to pass the motion the board needs two-thirds of the members which equals to 6 votes. The board then voted which resulted in 5 yeas by Vizier, Collins, Melancon, Guidry, Bruce and 4 nays by Cheramie, Gisclair, Lafont, and Griffin. Motion failed for lack of two-thirds of members.

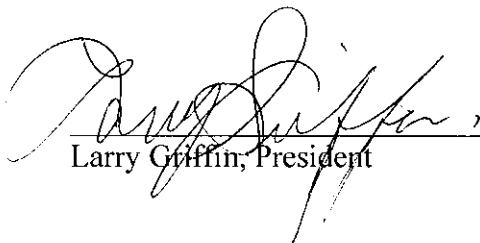
Commissioner Guidry presented for the board's consideration the 2010 Financial Audit. Mr. Mark Felger, CPA with Lanaux & Felger presented to the board the highlights of the financial statement. He stated that it resulted in an unqualified opinion and the financials are in a fair representation in accordance with the general accepted accounting principles. There were no significant deficiencies in internal controls. Some financial highlights are: \$161.7 million of net assets which is an 11% increase from last year, \$17.7 million of operating revenues a 2.6% increase, \$41 million of cash a 38% increase, \$4.3 million of operating profits a 4% decrease (post employment retirement benefits), \$9.2 million of net income a 32% increase, \$6.1 million in capital grants and \$1.7 million of maintenance grants. The total revenue and capital additions by source are identified on a graph as 61.5% self generated fees, 21.1% state and federal capital construction grants, 10.3% of ad valorem taxes, 5.8% of state and federal operating and disaster grants, and 1.3% other. The total expenses and other uses of funds are identified on a graph as 50% capital construction and purchase of equipment, 16% salaries and benefits, 16% depreciation and disposal of assets, 10% lease expense, 5% maintenance and operations of facilities, and 3% other operating expenses.

Mr. Felger then presented a comparison chart to other ports of similar size to Fourchon such as Iberia, Lake Charles, St. Bernard and Baton Rouge. This resulted in total assets ranked Fourchon in the middle. The comparison of operating revenues/net capital assets ranked Fourchon the highest generating at 14% return on investments. He also provided the board with a letter of communications between the auditors and the board. There were no significant findings. In addition the one new accounting standard put in place last year is the required liability for retiree health insurance premiums. This is included in the financial statements of current liability of \$1.3 million which is amortized over 30 years. The liability will continue to grow over the next 30 years and even with this in the books the Port is still very strong financially. He then extended his thanks to the Directors and staff for cooperation during the audit process. The Port has been a very good steward of public money that you have been entrusted with. Upon motion by Lafont and second by Chuckie Cheramie the board unanimously approved the 2010 financial audit.

President Griffin opened the floor for any other business. Mr. Rome reminded the board that their financial disclosures are due by May 15th. A copy of the form is in their folders and it can also be filed online.

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

ATTEST:



Larry Griffin, President



Wilbert Collins, Secretary