

AGENDA
December 12, 2012 at 10:30 AM
Administration Building in Galliano, LA
(Revised 12/11/12 at 9:00 AM)

- I. Call to Order
- II. Pledge of Allegiance
- III. Roll Call
- IV. Consider approval of minutes for November 15, 2012 regular meeting and November 28, 2012 special meeting
- V. Executive Director's Report
 - A. Northern Expansion**
 - 1. Slip C Additional Dredging/Slip A Dredging (Picciola & Associates)
 - 2. Guidry Brothers Site Development (Picciola & Associates)
 - B. Airport Projects**
 - 1. Parallel Taxiway "A" South Paving (LPA/Baker)
 - 2. Glide Slope (LPA/Baker)
 - 3. Airport Master Plan Update (LPA/Baker)
 - 4. Runway Sealcoat & Remarketing (LPA/Baker)
 - C. FEMA Projects**
 - 1. Bathhouse (J. Wayne Plaisance)
 - 2. Beach Repair Project (Picciola & Associates)
 - 3. Debris Fence Repair (Picciola & Associates)
 - D. Port Security and Grant Projects**
 - 1. Multi-Agency Emergency Response/Operations Building (2009)
 - 2. Waterside Radar Video Surveillance Project (2009)
 - E. Other Port Projects**
 - 1. Assumption of Maintenance Study (URS)
 - 2. Mooring Dolphins Phase 3 (Angelette-Picciola)
 - 3. Highway Embankment
 - 4. Supplemental Flotation Canal Bucket Dredge
 - 5. Martin Bulkhead Repair
 - F. Update on LA 1 project**
- VI. Committee Reports
 - A. Executive Committee**
 - 1. Consider approving the State Land purchase of property along west Bayou Lafourche
 - 2. Consider approving the request from GAO FBO Services to sublease hangar space to All American Aviation, LLC
 - 3. Consider extending the Executive Director's contract into January
 - 4. Consider approving the request from Howie Guidry to lease one space in the new Hangar at the Airport
 - 5. Consider approving the request from Grand Isle Shipyard for a Right of First Refusal on Fourchon Lease Site GLF193
 - B. Permits & Waterways Committee**
 - 1. Review permit applications by Shell Pipeline Company, Aspect Energy, Apache Corp (3), Courtney Couvillon, and C-Port 3, LLC
 - C. Construction & Development Committee**
 - 1. Consider approving Change Order No. 3 from Mike Hooks for the Slip C Additional Dredge project
 - 2. Consider approving Substantial Completion Certificate from Mike Hooks for the Slip C Additional Dredge project
 - 3. Consider approving Change Order No. 1 from Sealevel Construction for the Debris Fence Repairs
 - 4. Consider approving Substantial Completion Certificate from Sealevel Construction for the Debris Fence Repairs
 - 5. Consider approving the Clear Lien Certificate from Kostmayer for the Nerby Collins Steel Bulkhead Repairs
 - D. Finance Committee**
 - 1. Consider approving payment of November invoices and recognize expenditures over \$10,000
 - 2. Consider approving November Financial Statement
 - 3. Consider approving the 2013 Budget
- VII. Any other business
- VIII. Public Comment
- IX. Adjournment

OFFICIAL PROCEEDINGS OF THE GREATER LAFOURCHE PORT COMMISSION
December 12, 2012

The Board of Commissioners of the Greater Lafourche Port Commission met in regular session on Wednesday, December 12, 2012 at 10:30 AM at the Administrative Building in Galliano, LA.

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

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

ABSENT: None

Upon motion by John Melancon and second by Wilbert Collins, the board unanimously approved the minutes for November 15, 2012 regular meeting and November 28, 2012 special meeting.

Executive Director's Report

Northern Expansion – Mr. Ben Hodson reported that Mike Hooks has completed the Slip C Additional Dredging project. There is a balancing change order and substantial completion certificate on the agenda for approval. Hodson stated that Byron E. Talbot Contractors are close to completion. They are now installing the electrical boxes and once complete they will install the remaining aggregate surface course. The project should be complete in January.

Airport Projects – Airport Manager Joe Wheeler reported that the Parallel Taxiway "A" South Paving is complete. They are finishing up with final paperwork. The taxiway was open for business on Monday morning. Wheeler stated that the equipment for the Glide Slope project was delivered last week. We are awaiting the design layout from LPA Group to install. This project should be complete in January/February 2013. Mr. Richard Osborn with the LPA Group presented to the board the Airport Master Plan Update. There will be a public meeting here this evening. The Master Plan is done to allow the Airport to meet federal assurances for grant funding eligibility and it also serves as a marketing tool for future development.

There are basically 6 phases of the plan which are inventory of existing conditions, environmental inventory, aviation forecast, forecast considerations, facility requirements, and alternatives. With the inventory phase, all the buildings are assessed of their condition and we determine any needs the Airport may have early on. The environmental review is done to make sure we are not proposing any development that may impact some environmental factors. In developing the forecast there are a lot of social economic trends considered. The biggest impact of the forecast is the oil and gas industry. Optimistically, we estimated growth for airport to plan accordingly. If the Airport grows at a rapid rate it will be set and if not there is adequate planning for the future. The facility requirement phase reviews the runway length, strength, navigational aids, lighting, aprons, approaches, and fueling facilities. LPA is aware that ECO has a Gulfstream 550 on order. This will require the taxiway and layout to be designed in a specific way to accommodate the G550.

In summary after all reviews, we showed the potential for a runway extension, certain pavement areas may need strengthening, and interest will have to be acquired in the runway protection zone. However since the Port owns the property surrounding the airport it will not be a difficult acquisition. There is no taxiway lighting now but that will be done in the future. FAA recommends installing paved shoulders and blast pads. Other potential improvements are remarking the existing apron, additional wind cones, apron, T-Hangar, helipads, some improvements to the entrance road, a new terminal building, and additional parking. Osborn stated that these are all minimum guidelines of the airport's future development from the plan's recommendations and alternatives.

There are certain improvements to the airport that are required regardless of expansion such as runway pavement strengthening and easement acquisition in the future. He then showed graphics of these potential improvements to the airport. Gisclair stated that from the recommendation of 8 additional heliport landing pads and parking if a tenant comes in and leases property and actually develops these additional pads does that go into our master plan or is it a separate issue. Osborn replied that if they are located on airport property yes. He stated that if it is in the industrial park property it will not be in the plan. He stated that if FAA is funding the improvements they want it shown on the master plan. He then stated that if a tenant makes these types of improvements to the property this would be submitted to the FAA in an update.

Wheeler reported that the contractor is starting today for the Runway Sealcoat & Remarkings project. The runway was closed this morning. The project should be complete by Tuesday. Wheeler then reported that there were 1752 aircraft operations at the airport for November with 1072 of helicopter and 680 fixed wings.

FEMA Projects – Engineer John Plaisance reported that the Bathhouse structure is complete. The remaining work to be done is building the ramp and stairs. He expects completion by mid-January. Mr. Ben Hodson reported that the Beach Repair Project has been advertised and they plan to open bids on December 20th. The pre-bid meeting is scheduled for tomorrow December 13th. Executive Director Chiasson stated that we are excited about opening the bids since several storms have impacted the beach we were unable to do this project. He then recognized Shell for contributing \$500,000, Fourchon Region Restoration Initiative for contributing \$60,387.31, and the remaining will be funded by the Port and FEMA. The State's \$70 million Caminada Headland Project will open bids next Tuesday so we are interested in seeing what the bids come in at. Mr. Hodson reported that the Debris Fence Repair project is complete. The final balancing change order and substantial completion certificate are later on the agenda for approval.

Port Security and Grant Projects – April Danos reported that the pre-construction meeting for the Multi-Agency Emergency Operations Center is scheduled for December 17th. The Port issued the notice to proceed to the contractor for the Waterside Radar Video Surveillance project to mobilize on site and order the equipment.

Other Port Projects – William Evans with URS updated the board on the Assumption of Maintenance Study. He stated that URS did have a follow up meeting with New Orleans District Corps of Engineers on December 6th. They discussed the environmental assessment associated with the dredging material management plan for the current federally maintained channel and how it affects the new section of the study. The Corps agreed that the dredging plan is currently a federally maintained channel for the life of the project so the existing dredging plan is covering the existing channel is for the life of its project. Other discussions were the new channel section and using the existing permitted mitigated areas within the current dredging plan. The Corps questioned the permitted depth limit of 24 ft plus 3 ft maintenance which will be verified by Picciola & Associates. The other major concern the Corps had is that they want us to prepare letters to send to different agencies that need to review these options. This will include word authorizations, brief description of the project, and requesting comments on the opportunities for design. The Corps offered to review this letter and supply us the agency contact list that they will need comments from.

Engineer Larry Picciola reported that the contractor is on site for the Mooring Dolphin project and has completed one dolphin unpainted. All the vertical front piles are in place in Flotation Canal and 6 battered piles. They are now putting in all battered piles to weld. There are 2 barges there one driving piles and one for the welders.

Mr. Davie Breaux reported that for the Highway Embankment project the Port started working Monday with DOTD placing stone along the embankment. DOTD is providing the labor and equipment and the Port is purchasing the stone. It is estimated to be about .4 tons per foot which will cost about 100,000 per mile. DOTD will work two weeks with us which will finish our funding for 2012. After the

holidays, DOTD will return to place more material which will be from the 2013 budgeted funding. Lafont questioned if we have to rebid for the 2013 funds, which Breaux replied no. The stone is purchased from our yearly bids. Collins questioned who oversees this project, which Breaux replied himself, Frank Terrebonne, and there is a DOTD supervisor. DOTD provides a flagman and operator and we provide Harbor Police and a supervisor. Chiasson stated that this is a joint venture with DOTD and a good time to do this type of work with the low tides.

Breaux reported that the Supplemental Flotation Canal Bucket Dredge project is complete and the final pay request is up for approval today. Berry Bros placed 78,424 yards of material on site.

Engineer Larry Picciola reported that he met with Low Land's subcontractor yesterday regarding the remaining work on the Martin Bulkhead and they do plan to start next week.

Update on LA 1 project – Mr. Rhett Desselle DOTD Assistant Secretary updated the board on the cash lane progress, violations, and the new toll schedule. The cost for the bridge to date is \$371 million. A good portion of that is from bonds and TIFIA loans which the tolls and violation collections pay for. In April 2011, the toll consultant studied the system and made recommendations. We took the Kiosk out and put in the cash lane. We did change some business rules that helped with revenue collections, changed the website, and the customer service system. We also developed a process to pursue out of state violators. In June 2012, the new Automated Toll Payment Machine (ATPM) was installed. There were some challenges which were being fine tuned. Then in August the ATPM was taken out by a truck and we were back to manual collections. A new ATPM was ordered along with a replacement ATPM. We do have a damage claim filed with our insurer to capture the cost of approx. \$700,000. Today, there is an enclosure for the ATPM to be out of the weather and a canopy for vehicles. In addition a rain screen will be added for further weather protection. We also have additional signage for wide loads and working on how to take care of wide loads. We are planning to install a bollard system which will be made of heavy piping in the median to protect the toll system and workers from wide loads. DOTD anticipates the bollard system and new ATPM to be in place in January along with other enhancements.

The toll system is now stable in capturing revenues. Since we changed our business rules we have closed the gap on not collecting all the revenues. Early on our collection rate was not good collecting only 70% of revenues but since the rules changed we are now collecting over 90% of revenues a month. The other issues we had with the toll system was the violation process was not working. In April we brought that piece on line and now we can focus on violation collections and notices. We get about 400 violations a week on average. Thus far we have collected \$15,000 in tolls and \$93,000 of admin fees from violators. The violators are mostly with Texas and Mississippi license plates and we now have access to those databases to send violation notices.

We continue to work on the geometry of the intersection and lanes and simplify the ATPM process to be user friendly. Desselle then further discussed the violation process. Again before April, the process was not working. In April that piece of the system was completed and we moved forward in processing violations that are covered in the statute of toll regulations. DOTD is not only obligated to collect tolls but any violations which consist of an administrative fee and any late fees. He stated that the toll and violation fees are all considered revenue and used to retire the bond and loan debt. In the statute the registered owner is responsible for the toll and within 72 hrs after they cross the toll gantry if not paid they incur a \$25 administrative fee and a violation notice is mailed. The owner has 30 days to make payment or notify us they want to appeal. There is an appeal process on any violation notice for if you don't agree you have the option to send a written appeal letter, show up for an appeal hearing, or call and talk to the violation clerk. After the 30 days from the first notice, a \$5 late fee is added and a second notice is mailed out. The owner then has 15 days to respond if nothing we send out a third notice with an additional \$15 late fee. The owner then has 15 days to respond and if nothing we send out the fourth and final notice with an additional \$20 late fee. It is expensive to send out notices and these late fees are included in the statute that DOTD is required to follow. After the fourth notice is sent out the owner's registration and license is flagged with the DMV. The appeal process is also set up in the statute. We can

dismiss a toll violation that was given erroneously, our hearing officer can waive administrative fees for good cause, and we do offer a payment plan for violators. From July to November, we have sent out over 8200 notices. The December 5th – 10th notices are running through the system now and will be mailed out in a few days. We are now caught up and sending out notices in real time.

The TIFIA loan and bonds include a rate adjustment every 5 years. We do have Louisiana Transportation Authority's approved toll rate schedule with the rate increase that starts January 1, 2013. This is a 20% increase which is about 4% a year. With the new schedule a car that was paying \$2.50 will now pay \$3.00 and a 6 axle vehicle that was paying \$12 will now pay \$15.

Some of DOTD's future plans are to complete the ATPM deployment of 2 machines in place mid-January with the new bollard system and extra signage. DOTD will continue with outreach efforts to encourage people to use the Geauxpass. We are working toward some system enhancements to help customer service send notifications for low balances, negative balance, or an expired credit card. DOTD is still working toward a single trip pass, the magnetic cards, prepaid toll cards, and possible bar codes to put on I Phones. He stated that before the violation system was working there is a backlog of outstanding violation images that are now being processed. These are old but they are obligated to pursue those toll violations. DOTD is also looking at other means of getting current addresses to send out violations. They are exploring the possibility of expanding their marketing techniques and simplifying the violation process. DOTD is also looking at State-wide interoperability for the toll tags to work on the LA 1 system as well as the Causeway. DOTD is working to revise the Geauxpass agreement to clarify that the owner is responsible to keep their account up to date. They are looking at the possibility of outsourcing some back office processes that may be a cheaper way for violation collections and customer services.

The cash lane project of installing the machines cost approx. \$1.5 million and the bollards cost \$350,000. There has been a substantial investment to the system which has paid off as we continue to meet our objectives to improve the toll collection rate above 90%. To close with some good news, the Leeville Bridge on LA 1 was named #6 in the Roads and Bridges magazine of the top 10 bridges in the U.S. for 2012.

Collins questioned who is paying for the extra work and workers collecting, which Desselle replied that is funded by DOTD for all the operations and maintenance cost. He said that all toll collections including administrative fees and late fees are going toward paying off the bond and loan debt. Collins stated that the bridge has been open for over a year and it is still not right. He doesn't understand what the holdup is and DOTD is spending a lot of money on the toll system and it is their fault the system is not right. Desselle replied that toll collections are not a simple task it is complicated determining axles and tires to determine correct toll. If there is no tag a picture of the license plate is taken and run through the computer system to match up with customer accounts. It has been very challenging and we are working to correct the issues by refining the process and we are close to where we need to be. We definitely improved on our collection rate which was a huge issue to help with the bond issue. We know that it is not a perfect system and it is a work in progress. Vizier questioned how many years is the bond for, which Desselle replied it is pretty lengthy and goes into 40 years. Vizier questioned in the last 5 years if we are paid up on the bond, which Desselle replied yes. Vizier stated every 5 years we will have a renewal and will be taxed more, which Desselle replied yes the toll rate schedule will increase every 5 years of 20%. Gisclair stated that in regards to the fines and delinquent fees you cannot prepay at the customer service building in Golden Meadow. He stated that if he passes in a vehicle that does not have a toll tag within 72 hours can we go pay the toll at that building, which Desselle replied yes. Melancon stated that he has a recommendation regarding the delinquent tolls. He would hope that the delinquent fees billed in the last 8 months get amnesty. He stated that at the Crescent City Connection vehicles pass thru the toll lane they have a red light or green light. The green light shows when it is paid and good to pass and the red light shows when the driver didn't pay. Would DOTD consider putting in a lighting system that would notify the drivers as they pass thru the gantry if there is a problem? Desselle stated that there is a light on the cash lane but we may look into putting it on both lanes. Melancon stated that the

majority of the grievances are of tags being outstanding or issues with accounts. It can help keep people aware of their account. Desselle replied that is a good suggestion and will look into implementing it.

Cheremie stated that people are getting violations in the mail 4 and 5 months after the violation. DOTD is implementing that if you don't answer the first notice you are fined \$20 but what if you don't get the notice. It is hard to appeal the violation when you don't receive the notice in time. He stated why it can't be that if DOTD doesn't send out the notice within the 30 days it is DOTD's responsibility. Desselle stated that the violation system was not working until April and it did take us time to get out the violation notices. Cheremie stated that the notices should be sent out within the 30 days. Desselle stated correct and now the violations that happened yesterday are being reviewed today and will be mailed out in a few days. We are caught up now and on scheduled. We are now dealing with the backlog of violation images and again there is an appeal process. Cheremie stated again that it is hard to appeal something that was 3-5 months ago with a \$2.50 toll can now be up to \$30.00 fine. Desselle stated that they understand the issues. Again he believes the light is a good suggestion and we will see how fast we can get a light installed. He did report that in the next 2 months they will have the ability to mail out notices for low balances or if the credit card is close to expiration. We are working toward resolving all the issues to have a fine tuned system.

Committee Reports

Executive Committee - The Committee met on November 28, 2012 at the Administration Building in Galliano. Present was Larry Griffin, Wilbert Collins, Jimmy Lafont, and Perry Gisclair. The Committee also met on December 10, 2012 at the Administration Building in Galliano with Gisclair absent.

Upon motion by Wilbert Collins and second by Perry Gisclair, the board unanimously approved the purchase of approximately 142.58 acres West of Bayou Lafourche in Port Fourchon from the State of Louisiana at the appraised value of \$151,957.42.

Upon motion by Wilbert Collins and second by Ervin Bruce, the board unanimously approved the request from GAO FBO Services to sublease hangar space to All American Aviation, LLC.

Upon motion by Jimmy Lafont and second by Jimmy Guidry, the board unanimously approved extending the Executive Director's contract to January 9, 2013.

Upon motion by Chuckie Cheremie and second by Jimmy Guidry, the board unanimously approved the request from Howie Guidry to lease one space in the new Hangar at the Airport. Melancon stated that there was another company interested in leasing this space and the Airport Manager had made several attempts to contacting them but had no response.

Upon motion by John Melancon and second by Wilbert Collins, the board unanimously approved the request from Grand Isle Shipyard for a Right of First Refusal for Lease Site GLF193.

Commissioner Lafont exited the meeting.

Permits & Waterways Committee - The committee met on November 28, 2012 at the Administration Building in Galliano. Present was Jimmy Lafont, Larry Griffin, Perry Gisclair with Chuckie Cheremie absent. The committee also met on December 10, 2012 at the Administration Building in Galliano with Gisclair being absent.

Chairman Cheremie presented for the board's review the permit applications from Shell Pipeline Company, Aspect Energy, Apache Corp (3), Courtney Couvillon, and C-Port 3, LLC.

Construction & Development Committee - The committee met on November 28, 2012 at the Administration Building in Galliano. Present was Chairman Ervin Bruce, Donald Vizier, John Melancon, and Larry Griffin. The committee met on December 10, 2012 at the Administration Building in Galliano with all members present.

Upon motion by Perry Gisclair and second by John Melancon, the board unanimously approved Change Order No. 3 from Mike Hooks deduct of -\$2,186.80 for the Slip C Additional Dredge project.

Upon motion by Ervin Bruce and second by Jimmy Guidry, the board unanimously approved the Substantial Completion Certificate dated December 2, 2012 from Mike Hooks for the Slip C Additional Dredge project.

Upon motion by Wilbert Collins and second by Perry Gisclair, the board unanimously approved Change Order No. 1 an increase of \$1,404.20 from Sealevel Construction for the Debris Fence Repairs.

Upon motion by John Melancon and second by Ervin Bruce, the board unanimously approved the Substantial Completion Certificate dated November 12, 2012 from Sealevel Construction for the Debris Fence Repairs.

Upon motion by Ervin Bruce and second by Wilbert Collins, the board unanimously accepted the Clear Lien Certificate from Kostmayer Construction for the Nerby Collins Steel Bulkhead Repairs.

Finance Committee - The committee met on November 28, 2012 at the Administration Building in Galliano. Present was Chairman Jimmy Guidry, Wilbert Collins, John Melancon and Larry Griffin. The committee also met on December 10, 2012 at the Administration Building in Galliano with all members present.

Upon motion by Jimmy Guidry and second by Wilbert Collins, the board unanimously approved payment of November invoices and recognized expenditures over \$10,000.

Upon motion by Jimmy Guidry and second by Perry Gisclair, the board unanimously approved the November Financial Statement.

Upon motion by Jimmy Guidry to approve the 2013 Budget, which was seconded by Perry Gisclair, the floor was open for discussion. Chiasson stated that the 2013 Budget totals \$79,089,306.00. The largest portion of this is capital construction of \$50,252,414.00 and we anticipate revenues of \$24,126,531.00. He then reported on a few projects that are in the budget which are as follows: Bulkhead and Dredging along Slip C of \$24 million, Mooring Dolphins of \$1 million, and Guidry Brothers Site Development of \$5 million. A few other projects of importance are the Multi-Agency EOC, Highway Embankment Stabilization, Bayou Cleanup, a Seaport Master Plan, and an Airport Terminal Ramp Expansion. It is a lot of good work we are planning to do this year especially if we can build \$50 million of projects it will be a big deal. There is a press release out today about Slip C that reports on job creation and generating development for our area. The board then voted which resulted in all yeas.

President Griffin opened the floor for any other business. Cheramie stated that Commissioner Lafont had to leave early to attend a funeral but he would like to thank him for his 12 years serving on the board. He was very helpful with the boat business and the USCG. Chiasson added that he did serve for 12 years and did a good job for the Port Commission. President Griffin wished everyone a Merry Christmas.

Upon motion by Chuckie Cheramie and second by John Melancon, the board adjourned the board meeting.

ATTEST:


Larry Griffin, President


Wilbert Collins, Secretary