

AGENDA
July 11, 2012 at 10:30 AM
Administration Building in Galliano, LA
(Revised July 10, 2012 at 10:00 AM)

- I. Call to Order
- II. Pledge of Allegiance
- III. Roll Call
- IV. Consider approval of minutes for June 13, 2012 regular meeting and June 27, 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 Group)
 - 2. Hangar & Foundation (J. Wayne Plaisance)
 - 3. Airport Maintenance Shop (Picciola & Associates)
 - 4. PAPI System
 - 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. Camera Networking Improvements (2008)
 - 2. Multi-Agency Emergency Response/Operations Building (2009)
 - 3. Waterside Radar Video Surveillance (2009)
 - E. Other Port Projects**
 - 1. Nerby Collins Steel Bulkhead Repair (J. Wayne Plaisance)
 - 2. Assumption of Maintenance Study (URS)
 - 3. Mooring Dolphins Phase 3 (Angelette-Picciola)
 - F. Coastal Projects**
 - G. Update from DOTD regarding LA 1 project and Toll System**
- VI. Committee Reports
 - A. Executive Committee
 - 1. Consider approving Joint Motion to Dismiss Baroid Tract Suit No. 111284, 17th JDC
 - 2. Consider approving agreement with South Lafourche Levee District regarding storage of rocks
 - 3. Consider approving the request from Production Management Industries to assign lease site GLF354 and 405 to Offshore Cleaning Systems, LLC
 - 4. Consider approving the request from Offshore Cleaning Systems for a Landlord Consent Agreement
 - B. Permits & Waterways Committee
 - 1. Review permit applications by Brammer Engineering and Hilcorp Energy Company
 - C. Construction & Development Committee
 - 1. Consider approving low bid for semi-annual construction materials
 - 2. Consider approving low bid for motor grader
 - 3. Consider adopting a resolution authorizing an agreement with DOTD and designation of person authorized to sign for Port Priority Program funding
 - 4. Consider approving Change Order from LA Contracting Co. for the Parallel Taxiway South Paving project
 - 5. Consider approving the Substantial Completion from Picciola Construction Co. for the Small Hangar and Foundation project
 - D. Finance Committee
 - 1. Consider approving payment of June invoices and recognize expenditures over \$10,000
 - 2. Consider approving June Financial Statement
- VII. Any other business
- VIII. Public Comment
- IX. Adjournment

OFFICIAL PROCEEDINGS OF THE GREATER LAFOURCHE PORT COMMISSION
July 11, 2012

The Board of Commissioners of the Greater Lafourche Port Commission met in regular session on Wednesday, July 11, 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., Jimmy Guidry, and Ervin Bruce

ABSENT: None

Upon motion by Perry Gisclair and second by John Melancon, the board unanimously approved the minutes for June 13, 2012 regular meeting and June 27, 2012 special meeting.

Executive Director's Report

Northern Expansion – Engineer Joe Picciola reported that bids were open on June 5th for the Slip C Additional Dredging/Slip A Dredging. The apparent low bidder Mike Hooks had some inconsistencies with the bid that are being reviewed. The Port requested an Attorney General's opinion which is expected on Friday. Engineer Picciola reported that the notice to proceed was issued on July 9th to Byron Talbot to begin work on the Guidry Brothers Site Development project. They are moving equipment on the site, driving timber piles for the water tank foundation, clearing, grubbing, and site work.

Airport Projects – LPA Engineer Michael Hixson reported that there is a change order up for approval for the Parallel Taxiway "A" South Paving. The change order of \$35,940.00 covers the additional items for the VIH Connector that was not part of the original contract with LA Contracting Enterprise. The VIH Connector project totals \$245,000. They are 70% complete with the duration of the project and 46% with the value of the project. The discrepancy of the percentages is the paving accounts for half the value of the project. We expect completion in early September. Gisclair questioned if the VIH Connector benefits only VIH, which Hixson replied that it will be open for public use but primarily to serve VIH. Chiasson stated that VIH amended their lease to pay back the cost of the connector improvements. Gisclair questioned if this could entice business to their facility that was not there before, which Chiasson replied yes it could.

Engineer John Plaisance reported that the Substantial Completion Certificate for the Hangar & Foundation is on the agenda for approval. Engineer Joe Picciola reported that Capstone Builders is nearing completion for the Airport Maintenance Shop. They are finishing some interior work and should be complete in the next few weeks. Airport Manager Joe Wheeler reported that the PAPI System flight check has been done and is currently in service. He reported that the Airport operations for June were 1625 with 544 fixed wing and 1081 helicopter.

FEMA Projects – Engineer John Plaisance reported that the contractor has driven the piles for the Bathhouse. They started getting material in and you should see construction progress rapidly now. Chiasson stated that there is no update on the Beach Repair Project. We are waiting to have the servitude agreements in place with the landowners. Davie Breaux reported that the Debris Fence Repair project is currently being advertised with the pre-bid meeting scheduled on July 31st and the bid opening scheduled on August 7th.

Port Security and Grant Projects – April Danos reported that upgrade for the Camera Networking Improvements is scheduled for July 23rd. In regards to the Multi-Agency Emergency Operations Building the engineer is finalizing the network infrastructure then it will be ready for board approval. She is negotiating the contract with Honeywell for the Waterside Radar Video Surveillance project.

Other Port Projects – Engineer John Plaisance reported that the contractor started last month for the Nerby Collins Steel Bulkhead Repair. The materials are being delivered this week. Joe Berlin with URS reported on the Assumption of Maintenance Study. The letter has been prepared to get the Memorandum of Understanding (MOU) with the Corps of Engineers which was discussed at the meeting with the Corps in Washington, DC to proceed with that. The Corps provided hydrographic data that will be used to determine the shoaling rate of Bayou Lafourche and will be included in the study. Engineer Larry Picciola reported that the Mooring Dolphins Phase 3 project is out for bid. The base bid is to construct 9 dolphins along Flotation Canal and 8 dolphins in Bayou Lafourche. The alternate bid is for 9 additional dolphins in Flotation Canal. The mandatory pre-bid meeting is scheduled for July 24th with the bid opening on August 2nd. Chiasson stated that this will provide more spaces for vessels to tie up.

Coastal Projects – Chiasson reported that a few weeks ago we inspected the West Belle Pass project and the Port's Beach Repair project in conjunction with Restore or Retreat and the Lafourche Parish Government Coastal Zone Management office. We also discussed the upcoming the Caminada Headland project that this State will be doing. We inspected the location of the spoil that the Corps placed on the west side of the jetty from their recent project. The West Belle Pass project is taking place and they have pumped already a considerable amount of material in that area. This project is funded by CWPPRA funds of \$34 million and will further protect the west side of Lafourche and Fourchon.

Caminada project – Chiasson reported that the Caminada Headland's project which is the State's project of approximately \$70 million will be taking place in October/November of this year in conjunction with the Port's Beach Repair project. This will be a good project for this area and also protect Lafourche and Fourchon. Chiasson mentioned the importance of the passage of the Restore Act which brings 80% of any BP fines to the Gulf Coast and LA is expected to get a good share of that. Senator Landrieu, Congress, and all our State Delegation played a key role to push for us to get our fair share. All these funds will be dedicated to coastal restoration and protection and hopefully we will see some funds from that sooner rather than later.

Update from DOTD regarding LA 1 project and Toll System – Rhett Desselle, Assistant Director of DOTD addressed the board. Desselle stated that the bridge opened in July 2009 and was funded with bonds and a TIFIA loan. The toll revenues have been committed to pay for the bonds and loan. DOTD is responsible for toll collections. In the spring DOTD conducted test recommendations to install a cash lane because the prepaid method we had before was inefficient and ineffective. There were problems with out of state users, infrequent users, low reliability for matching license plates, and payments. The Kiosk caused problems as well. The basis for change came from a study that recommended the use of the Automatic Toll Payment Machine (ATPM). We needed to have remote, unstaffed, 24/7 collections on site. There are security issues when considering putting a staff. The ATPM has been used around the country and has proven to be an effective and efficient method of collecting tolls for a low volume toll facility. The current status is we have constructed a new cash lane, installed the first ATPM, removed Kiosks for pre-pay, removed post pay options, and the ATPM was opened to traffic on June 20th.

As most of you know with the implementation of changes there will be problems and issues that arise it never goes as smoothly as planned. Some of the issues are longer than desired traffic lines during peak hours and special events, single point of failure with only one ATPM installed which another one will be installed soon, longer than desired ATPM transaction times, and weather situations.

Some short term adjustments are personnel on site to assist/educate customers, restriped LA 1 approach to bridge to allow for more ATPM users in line, added signage and pavement markings, technical staff on site to repair ATPM, provided traffic control staff during high volume of traffic, and 24/7 police presence which we appreciate the Port's efforts and State Police. DOTD has developed some solutions for addressing the long lines by exchanging coins for bills and some manual collections when the machine is down. The machine is currently down there was some moisture in the machine the parts or on the way and expect it to be back up by this afternoon. We have installed some additional variable

message signs to help motorists and extended the Golden Meadow Customer Service hours to help people get a GeauxPass.

It is not all negative. Some positive impacts are a higher revenue collection rate that is above 97%, lower violation rate, higher distribution of GeauxPass customers have gone up significantly. Prior to the cash lane we sold 25 GeauxPass' a day and after the cash lane we sold over 100 per day. Future plans moving forward DOTD will install another ATPM which is expected by October, a canopy and enclosure to environmentally protect the ATPM is expected in September, continue public outreach efforts, future improvements to the intersection and lane geometry, and continue to simplify the ATPM process and toll schedule to make it more customer friendly. We are also looking into having a touch screen. We also had a lot of request for single pass trips so we are looking into that which may be either a token or magnetic card that will be available at the Customer Service Center or businesses. Some of the steps DOTD has identified for success to continue to increase GeauxPass distribution is with public communications and marketing to focus on commuters and frequent users because the GeauxPass lane has no delays. We are working to decrease the ATPM transaction time because coins and credit cards are quicker than bills. The bills take longer and we need to try to use the fewest number of bills possible. Desselle witnessed a truck driver feeding the machine twelve \$1 bills when it rejects a bill it takes longer. Quicker transaction time means less time in line.

Griffin stated that when it gets congested they notify the central station to stop the toll until it clears up and these people get a free pass and if I am next in line I will get charged. Why not charge all these vehicles that passed for free the \$2.50 and not the fine amount of \$26 like a post billing. Desselle stated that the system is not geared up to do that. By flushing the vehicles thru is a short term solution. Since manual cash collections are now set up we haven't had to do free toll flushes. We are trying to avoid future free passes. Griffin said that there are no complaints from the ones that are passing free. Desselle stated that when monitoring traffic we look at hourly volumes and process times and we felt a responsible solution was to stop the tolls. The traffic here is very unsteady and we are addressing that. Lafont stated that he personally received a few fines and he went to the Customer Service Center to explain that he has a GeauxPass but resulted in his credit card expired. She said that it is our responsibility to notify them of new credit cards. He just wanted to let the public know that this is happening often and they need to check the expiration of their cards that are on their accounts. There should be a better system than that of getting a fine when you should just get notification that your credit card expired. Lafont stated that in the past with the Kiosk machines there was never a line. The other rumor is that DOTD will give out some passes and I hope if you plan to do that you give them to the local workers like the fishermen and port workers that don't get reimbursed. Lafont received a call yesterday from a fisherman that said the worker at the toll machine was sleeping.

Desselle replied that he is correct that we need an enhancement to the system for the GeauxPass customers to have an automatic notification regarding expired credit cards. We are working to implement that into the system when the card is nearing expiration. Desselle stated that the LA 1 Coalition purchased some GeauxPass' as a promotion. We started yesterday handing out coupons during the peak hours for a free GeauxPass tag if you set up an account. We have 1000 coupons now and will target the regular users. We will look at other similar marketing programs. DOTD would have liked to give these coupons themselves however State laws prohibit them from giving away anything. He stated that most other ports do marketing programs to give away tags because the cost to process a tag is much less than processing violations. In regards to the worker sleeping, he will look into that because he does have a live camera feed for that area.

Vizier stated when the ATPM was installed they shut down the one time pass on the internet, which Desselle replied yes you can only set up an account for a GeauxPass now. We are looking at implementing either a token or card purchase for the one time pass. Chiasson stated that he believes that is the bottom line is that you can't go online and buy a one-time pass to go thru the GeauxPass lane this would alleviate a lot of the congestion issues. He believes that needs to be looked into because the token

and card won't alleviate the congestion it may quicken it up. Desselle replied that the biggest issue with the old system is that you had a point of sale and then later a lane transaction and the only way to match this was the license plate. The issues with the Kiosk were that there are over 200 different plate styles in LA then the camera software wouldn't match up with the transaction which resulted in low revenues and sending out a lot of violations that were incorrect.

Gisclair stated that you mentioned losing revenues but that wasn't from the Kiosk because that is paid is was probably by administering the fines that were not correct or going to wrong people, which Desselle replied that is correct but it couldn't be reconciled. He stated that with that payment and if that license plate did not match up we were missing a lot of revenue this includes the out of state users and the infrequent users that were not paying. The out of state users are a challenge as well. DOTD has entered an agreement with Texas to swap plates which we are now working with Mississippi for the same. We are also working with the Causeway and Hub Team Texas for interoperability between the toll systems to capture out of state users. The recent Highway Transportation Bill that passed last week requires interoperability with all the states by 2016 for all toll systems to work together. Gisclair stated that now you have manual collections you noticed improvements in cash collections, which Desselle replied yes. Gisclair stated that once these workers leave people will start to pass without paying again. They are paying because there is a person there that is why they stop. Desselle stated that we did look at a manned booth but with security, cost, and staffing at a remote location we did not feel we could address all the issues. He stated that if they don't pay the cameras will pick up the license plate and they will be pursued as a violator. We just entered into agreement with Attorney General's office to help us pursue violations. We do have some changes in our process and rules to get more aggressive going after violators. The thinking for infrequent and out of state users if you give them a cash option most will stop and pay. Gisclair stated that with all the preparations for the ATPM and every other one he has been to have a canopy that could have been installed while the machine was being installed. Desselle replied yes one will be installed but we had to get the cash lane online as soon as possible. The bonds were downgraded twice this year in January and in June which was due to low collections so we had to get the collection rate up as soon as possible to maintain the integrity of the bonds and not have a default. We did not get started under the best circumstances. The supplier actually said we didn't need a canopy but soon realized with the weather conditions here we did which was ordered later and not in place for the opening.

Gisclair stated that since there is no more one time passes you have to pay at the ATPM. He saw two people collecting dollars when the machine was wrapped in plastic it is not at all what you envision and does not give a good impression. There are upcoming bond meetings to possibly extend the bond and increase the toll. Since the cameras were not working and there was the lawsuit with some downtime all that will show up on the data that the toll is not producing what it should. He is hoping that they consider that the State had a problem with the cameras, some not paying, and the out of state violators. DOTD mentioned that the toll may increase in 2016 which is another 3 years. The tolls are not being collected as they should be and hope they don't penalize the people for the tolls because it is not our fault with all the problems DOTD had. Desselle replied that the bond does have a toll increase every 5 years with the first one coming up in 2013. The LA Transportation Authority (LTA) is the holder of the bonds did consider an earlier increase but they proposed that because of plans for the cash lane. We are hoping our efforts are successful with our target to hit a 95% collection rate. Our initial figures with the cash lane even with free tolls we were collecting 97%. We think we have a process that we can capture that revenue stream efficiently and once we simplify the toll schedule it should be even more effective. We also will recommend to the LTA that the people who purchase the GeauxPass pay less than those paying cash at the ATPM similar to others in the country. As an example a vehicle with the pass would pay \$0.40 and others paying cash pay \$1.00. Gisclair thanked him for having the workers there and they actually stayed longer than he thought they would. Desselle replied we are still there and plan to stay as long as we have to until we get it flowing smoothly.

Cheramie commended Desselle for showing up to our meeting. He stated that you keep talking about revenues and catching them up but what will be done about the businesses that are losing revenue because of the way you have it set up. With the long lines in Leeville, the Galliano and Golden Meadow people are not coming to Leeville, Fourchon, or Grand Isle to eat because they don't want to fight the long lines. The workers in Fourchon are not getting to work on time which causes overtime. You are killing the private businesses. He had some friends that didn't come here for the 4th of July because of the long lines. What will you do to help them if there businesses don't thrive and they start to lay off? Desselle replied that we are very customer service conscious. The ATPM functions well about 90% of the day. He has watched the camera feed and we do have some peak hour problems in the AM and PM and some problems on Friday evening that we are aware of and working to shorten the transaction time. We are working to get more people in the GeauxPass lane because there are no delays in that lane. Cheramie disagreed and said there is a delay if people are trying to go to Leeville and they have to wait to cross the intersection with the people coming from Fourchon. He is there more than Desselle is. The other point is who is doing the surveys. DOTD needs to quit listening to the LA 1 Coalition and listen to us the ones that live or work down there we can tell you what is going on. The way the restriping is set up that is an accident waiting to happen. He has counted 5 accidents already with the people coming to Leeville or trying to turn to get in the GeauxPass lane. Desselle replied that the whole intersection is not optimum from original design, but we are looking at changes. We are looking at possibly installing signals to manage the flow of traffic and help those coming from Leeville make that left turn to get into the flow easier. We do have ongoing efforts to make the flow better. Cheramie stated that you have in one area 1 sign that says food ½ mile away then the next sign says no service until 8 miles. It gives the impression that there is no gas, food, bait, or tackle on the others side of the intersection in Leeville which will kill the town. Desselle replied that he is looking at the signage and will better message that there are businesses in Leeville and it is the last stop for a while.

Melancon thanked Desselle for coming to our meeting and stated that he crosses the bridge everyday and he would like to encourage the public to get the GeauxPass. It does get congested at times and if someone does want to continue south to Leeville it creates a backup for the tag lane which can be looked into. He encourages everyone to get toll tag and get on board to make this happen. Vizier questioned if the cash lane will be enlarged, which Desselle replied yes they are looking at that to extend that lane.

Committee Reports

Executive Committee - The Committee met on June 27, 2012 at Operations Building in Fourchon. Present was Wilbert Collins, Jimmy Lafont, Perry Gisclair. Larry Griffin was absent. They also met on July 9, 2012 at the Administration Building in Galliano with all members present.

Upon motion by Jimmy Lafont and second by John Melancon, the board unanimously approved the Joint Motion to Dismiss the Baroid Tract Suit No. 111904, 17th JDC. Bryce Autin reported that we recently entered an agreement with Caillouet which resolves most of the issues with this suit so there is no reason to continue with this suit.

Upon motion by Chuckie Cheramie and second by Wilbert Collins, the board unanimously approved the agreement with the South Lafourche Levee District (SLLD) regarding storage of rocks on the Storm Harbor Marina site. Chiasson stated that Chevron is donating some rocks to SLLD that they are removing from their fields in Bay Marchand and will store them on the marina site. We don't anticipate having any construction before the end of this year so the agreement will be to December 31st.

Upon motion by Wilbert Collins and second by Ervin Bruce, the board unanimously approved the request from Production Management Industries to assign lease sites GLF354 and GLF405 to Offshore Cleaning Systems, LLC.

Upon motion by Chuckie Cheramie and second by John Melancon, the board unanimously approved the request from Offshore Cleaning Systems for a Landlord Consent Agreement.

Permits & Waterways Committee - The committee met on June 27, 2012 at the Operations Building in Fourchon. Present was Chairman Chuckie Cheramie, Perry Gisclair, Jimmy Lafont. Larry Griffin was absent. They also met on July 9, 2012 at the Administration Building in Galliano with all members present.

Chairman Cheramie presented for the board's review the permit applications from Brammer Engineering and Hilcorp Energy Company. Cheramie recommended that the Port send a letter in objection to the prop washing described in the Brammer Engineering permit.

Construction & Development Committee - The committee met on June 27, 2012 at the Operations Building in Fourchon. Present was Chairman Ervin Bruce, Donald Vizier, John Melancon. Larry Griffin was absent. They also met on July 9, 2012 at the Administration Building in Galliano with all members present.

Chairman Bruce presented for the board's consideration approving the low bid for semi-annual construction materials. Chiasson reported that we received bids for July to January purchase of materials. We recommend approval of all low bidders except the river sand from Intracoastal to Golden Meadow that resulted in a 3 way tie. We will rebid the river sand item. Upon motion by John Melancon to approve all low bids except for the one river sand item which was seconded by Jimmy Guidry, the floor was open to discussion. Vizier questioned if only the 3 companies will be able to bid on the item, which Chiasson replied no it will be an open bid. The board then voted which resulted in all yeas.

Upon motion by Wilbert Collins and second by Jimmy Guidry, the board unanimously approved the low bid from Scott Equipment Company for the purchase of a motor grader in the amount of \$130,830.00.

Upon motion by Ervin Bruce and second by Jimmy Guidry, the board unanimously adopted the resolution authorizing an agreement with DOTD and designation of Executive Director authorized to sign for Port Priority Program funding. Chiasson stated that with the recent House Bill 2 new budget for State projects we were approved to move forward with the Slip C Bulkhead and Dredging projects.

Upon motion by Ervin Bruce and second by John Melancon, the board unanimously approved Change Order No. 2 an increase of \$35,940 with 55 additional days from LA Contracting Co. for the Parallel Taxiway South Paving project/VIH Connector.

Upon motion by Ervin Bruce and second by John Melancon, the board unanimously approved the Substantial Completion Certificate dated June 26, 2012 from Picciola Construction Company for the Small Hangar and Foundation project.

Vizier requested to go back to the river sand rebid and questioned if it is fair to the 3 tied bidders now that everyone knows their bid and why would someone with the high bid get a chance to bid again. Chiasson stated that it will be an open advertisement we can't limit it to just these 3 bidders. Autin stated that you are only required to bid this out if you spend more than \$30,000 a year. To be on the safe side we comply with the public bid law regardless of how much we would spend on this material. The public bid law would not allow you to limit the rebid to those 3 bidders who were tied. He does understand Vizier's point but to be consistent and follow the law we would have it open to all. Vizier stated that the high bidder knows the low price, which Autin replied the same can be said for the tied bidders they know the price.

Finance Committee - The committee met on June 27, 2012 at the Operations Building in Fourchon. Present was Chairman Jimmy Guidry, Wilbert Collins, John Melancon. Larry Griffin was absent. They also met on July 9, 2012 at the Administration Building in Galliano with all present.

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

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

President Griffin opened the floor for any other business. Chiasson stated that on Monday we discussed the Front Commercial Marina lease with LL&E and yesterday they replied by email approving our offer which is the same as we did with Wisner retroactive from 2010 so we will be moving forward with that lease. Collins questioned if the alligator tags were settled, which Chiasson replied yes. Collins stated that since we only have 5 tags with more alligators can we ask the State to catch and release them somewhere else, which Chiasson replied that if there is a nuisance of alligators beyond our 5 tags we can call them out to come get them. They take care of 6 ft. alligators and anything small there is a fee involved for removal.

President Griffin opened the floor for public comment. Vizier recognized Senator Norby Chabert in the audience. Senator Chabert thanked the board for all their hard work and also hosting the Dept. of Natural Resources coastal flyover with other senators. The flyover started at the Governor's mansion toward the Mississippi River to observe the coastal restoration projects. We flew over Grand Isle and stopped in Fourchon with a presentation of what the Port does and how valuable the Port is. Members were impressed and Senator Long was amazed at the Port's ability to grow itself with the beneficial use of dredge material that we saw firsthand. We then flew west of Lafourche into Terrebonne then up to Donaldsonville. His first meeting of the session was with Secretary Angelle concerning the Port's land purchase west of Bayou Lafourche in Fourchon. What you guys do is not forgotten about by the State.

In regards to LA 1 and the bridge, he was appalled at the State's inability to do something as simple as collecting the toll properly. He always said he is against the toll and we shouldn't have to pay it. This State is not very familiar with tolls and DOTD got gamed in their technology. Chabert commended the board in dealing with something that is not your charge and dealing with the complaints about issues that don't necessarily pertain to you in your elected office. They have come a long way in a short period of time and the progress they are making should be commended. We have not met the resolution we would all like to see no but they are working towards it. The one thing that he and Representative Gisclair are looking at through discussions with DOTD is why we have to pay for the GeauxPass if we are going to mandate people to pay the toll it is a one way in and out a unique situation. We don't have the option to go another route if you want to go to Fourchon or Grand Isle you have to cross the bridge. We are considering legislation that if you register you get the GeauxPass complimentary.

In regards to the Restore Act, Senator Landrieu did an unbelievable job on her part to make sure we get the money that we deserve. He also commended new Congressman Scalise, Senator Vitter, and the rest of the delegation for helping with this project. The formula for the State's application for Tiger Grant funding was not in line for us with more concern of vehicle capacity and it did not any leverage to the energy, economic or national security importance that Port Fourchon has. Senator Vitter was able to craft verbiage that now instead of being penalized for what we do we can be rewarded. We will be the only corridor in the nation with these unique criteria so hopefully in the future we will get some federal funds to continue with the different phases and not have to bond or tax our people in way of the toll.

Vizier stated that no one likes tolls and asked Senator Chabert if he would agree that if there was no toll there wouldn't be a bridge, which Chabert replied that was part of the deal as they say. We need to make sure that the mechanism that is in place for the collection of the toll works for the bonds not to default. Lafont thanked Chabert for attending the meeting. He questioned if by this time next year if the State would pick up those bonds so we don't have to pay tolls, which Chabert replied he sits on the Senate Finance Committee and it seems like every time we have an increase in revenues that the State could utilize something else pops up. The Transportation Bill was a double whammy for us. All the language included to benefit Fourchon and the billions of dollars that the State would see. The Restore Act also has an economic development component in it. We are concerned naturally about the protection and restoration component which is a majority of the share but there is an economic development component to the Restore Act. Though the State will have to utilize the spill fines that are going into the trust fund, there are too many dedicated projects. For the first time in this State's history, we passed a balanced budget then right before our fiscal budget goes into place they stripped \$400 million from this

year and \$200 million for next year. We will now have to balance out that decrease from our budget. So to answer your question Lafont I don't know, but certainly the revenues coming up in 2017 and with the new monies from Restore Act will enable us to have more capital to operate. Coastal infrastructure was specifically worded into that bill so projects like LA 1 from Larose to Grand Isle can factor into those monies and it may happen in the future that the toll goes away.

Vizier stated that we will lose \$400 million in Medicare, which Chabert replied that when the Obama care legislation was going on a lot of politics were played. Senator Landrieu made the argument that Medicaid is operated where the medium income of your citizenry dictates how much you get back in Medicaid reimbursements. Landrieu's argument was that since we saw that two storm bump of recovery of money after that storms that that was not the true indicator of State citizenry and she got extra money for that. This was the first real money bill that the federal government and congress had to correct Louisiana's additional \$600 million that we were getting but no one else. At the end of the day, they passed the Transportation Bill and came back and took \$600 million from the Louisiana budget for Medicaid and Medicare reimbursements. It is \$400 million this year and \$200 million next year that the federal government took back and is the first time this ever happened.

Collins questioned legislation giving \$36 million to the New Orleans Hornets tax free, which Chabert replied that the State realizes this economic opportunity with having an NBA team and this is an incentive to that organization for being here. Those things are mostly administration driven. The Hornets deal is a target because we see it but they generate a ton of money. We give economic incentives much greater than that across state. Chiasson stated that it is along the same lines as when legislation passed the Port Infrastructure tax credit basically saying the private business that invest in a public port can get a tax credit because they are spending money in a public facilities. Chabert stated that it is not like in the early 60's or 70's when oil and gas revenue drove the State economy, today the economy is driven more by state sales tax. We are currently looking at budget committees and what we are giving away way from tax credits, incentives, and rebates. The chairman of finance committee put together a commission to look at every rebate, incentive, and credit to determine what is working and what is not. There are so few funds that we can actually utilize to fill a budget hole in any given department. The state is really a disaster on how we are allowed to budget the money. Nicholls will be cut with layoffs and hospitals especially with this round of budget cuts. We are a revenue rich state. Revenues are constantly going up but at same the time we battle other things. The entire tax collections are off. Terrebonne Parish is close to passing another tax to help build the Morganza levee system like there is here. All communities across the coast want this. This area has the best levee across the State but ya'll did it from the Jump Street.

St. Mary, Vermillion, and Iberia Parishes started to form levee districts then realized they don't have any funding structure. They are starting to tax their people to build levees. Lafourche and Terrebonne who has been paying their way for years if you are going to give handouts you would give it to the people that have been paying for it themselves. The State really needs to get the fiscal house back in order and the legislative leadership is committed to change the funding structure.

Collins stated that the State is getting billions from BP are they going to pay us or not, which Chabert replied that the funding sources for BP first talk about the Restore Act money how monumental this was. There will be several revenue streams that come down from claims with BP such as personal, business, NRDA, state economic loss claims, etc. The Restore Act fine is one set will be paid by the responsible party for the per gallon amount spilled with a determined monetary amount assigned to it. The various amounts you hear of \$7 billion or \$20 billion depends on the fine amount per barrel. That money normally would go directly to the federal treasury general fund and the state would never see it. The Restore Act said 80% of whatever that money is goes to the 5 states. This has nothing to do with any other claim as mentioned above. Feinberg is no longer on the job. Lafayette attorney Patrick Juneau is the new claims administrator for the BP oil spill. Chabert stated that his new assistant Genie Ardoin will be getting all this information for the new payout system to be able to handle any phone calls. The new payout system terms are in accordance with the settlement that Judge Barbier ruled on. It is extremely

generous to everyone except if already signed a final payout claim if so you will not be eligible for additional funding. If you have not settled, if you have any business that can show on paper the profit loss statement, tax returns, any loss in 2010 you are eligible for reimbursement on your claim. Any fisherman, flower shop owner, nonprofit organization is eligible and there is no cap on that funding. There is a different deal with the oysterman because of the leaseholders but in terms of your business you are eligible. Any moratorium related loss will be in another lawsuit that will be coming down the lines to set the terms of that reimbursement as well. This needs to get to the public because that can be a tremendous boost in terms of recouping what your business loss in 2010 as an indirect result of the oil spill. This is all relatively new news. WWL spent 2 hours saying this to the public because a lot of people were told they were not eligible for claims and now are eligible.

Vizier questioned if all the states involved Texas, Louisiana, Mississippi, Alabama, and Florida are getting an equal share, which Chabert replied that the 80% is tiered and basically it is 30% of the 80% equitably distributed among the 5 states. LA is in for the lion share of that 80% when you factor in the different levels specifically for the Restore Act fine money.

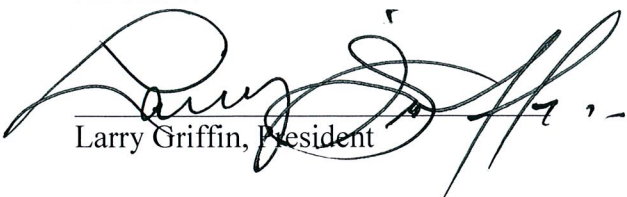
Vizier stated that Florida was one of the first states to get money are they going to get more money, which Chabert replied that this is the most significant legislation that coastal LA has seen. The way this fine thing is normally set up is a commission is formed by 3 federal government department heads and the affected State would have 3 department heads with a total of 6 people deciding where the money will be distributed. They have never had to deal with a multi-state spill. So now, you will be dealing with 3 federal people and 3 state heads from each state which makes it more complicated. This commission will decide where the money will be spent if in natural resources, restoration, etc. Chabert stated in the finance committee when they said we need all this money to go into the coastal restoration trust fund. We got chastised for not wanting this because the issue is you have a bureaucratic deal where Louisiana will only have 3 representatives in the game and those other reps from DC, Texas, and Mississippi will decide what is more important to us. The State of Louisiana should be able to control what projects are funded first and that was the big fight because that 80% of the money would be decided by that bureaucratic body on what they deemed worthy. We want more control of the money and how it is spent.

Lafourche Parish Councilman Daniel Lorraine thanked the board for the continued working relationship between the Parish and the Port. He reported that they passed a resolution to get the grant funds for Nerby Collins Marina repairs. He thanked the board for working with the Parish years ago for the Clovelly Boat Launch which they are talking about rerouting that road again. Also thanked the board for participating in funding the new Leeville Boat Launch. He stated that most of the Port's work is in Fourchon however the Port does do work in Bayou Lafourche. If we establish that boat launch in Leeville, it will bring in a lot of people.

Davie Breaux thanked the commissioners on behalf of the Golden Meadow-Fourchon Tarpon Rodeo for their assistance and services of employees. He also thanked and congratulated Admiral T-John Melancon. Griffin replied we also have a big weekend coming up the 2nd Annual Fourchon Oilman's Association Rodeo.

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

ATTEST:



Larry Griffin, President



Wilbert Collins, Secretary