

GREATER LAFOURCHE PORT COMMISSION

AGENDA

December 9, 2015 at 10:30 AM

Administration Building · 16829 East Main St · Galliano, LA

(Posted: December 4, 2015 at 2:15 PM)

- I. Call to Order
- II. Pledge of Allegiance
- III. Roll Call
- IV. Consider approval of minutes for November 12, 2015 regular meeting
- V. Executive Director's Report
 - A. Northern Expansion**
 - 1. Northern Expansion Slip D Bucket Dredge (*Picciola & Associates*)
 - 2. Northern Expansion Slip C 800 LF East Bulkhead (*Angelette-Picciola*)
 - 3. Northern Expansion Slip C 950 LF West Bulkhead (*Angelette-Picciola*)
 - B. Airport Projects**
 - 1. Pump Station – Engine & Pump Replacement (*Picciola & Associates*)
 - C. Other Projects**
 - 1. Nerby Collins Commercial Marina Bulkhead (*J. Wayne Plaisance*)
 - 2. Mooring Dolphins Phase 4 (*Angelette-Picciola*)
 - 3. Fourchon Bridge Helper Bent (*Picciola & Associates*)
 - 4. Airport Road Paving project – LPG
 - 5. Steel Mooring Piles in Bayou Lafourche (*Picciola & Associates*)
 - 6. Assumption of Maintenance Study (*AECOM*)
 - 7. Section 203 Feasibility Study (*CBI*)
 - 8. LA 3090 Overlay – DOTD
 - D. Update on LA 1 Projects**
- VI. Committee Reports
 - A. Executive Committee**
 - 1. Consider approving the Louisiana Land & Exploration graveyard agreement
 - 2. Consider approving the proposal for the hunting lease at the SL Industrial Park
 - 3. Consider approving the request from Weeks Marine to extend short term lease in Slip C
 - 4. Consider approving the request from Newpark Drilling to extend Right of First Refusal on site GLF630
 - 5. Consider approving the Fourchon Bridge Cooperative Endeavor Agreements with Edward Wisner Donation, Chevron USA, Caillouet Land, and Shell Pipeline
 - 6. Consider approving the request from Adriatic Marine for 3 mooring dolphins in Flotation Canal
 - 7. Consider approving the request from Odyssey Marine for 3 mooring dolphins in Flotation Canal
 - B. Permits & Waterways Committee**
 - 1. Review the 2015 Bayou Cleanup change order
 - 2. Review the permit application from GIS Marine, LLC
 - C. Construction & Development Committee**
 - 1. Consider adopting the resolution for DOTD application for Port Priority Program funding
 - 2. Consider awarding the lowest responsive bid for the Slip C 950' West Bulkhead project
 - 3. Consider approving Change Order No. 4 from Dolphin Services for the Nerby Collins Marina project
 - 4. Consider awarding the lowest responsive bid for the Fourchon Helper Bent project
 - D. Finance Committee**
 - 1. Consider approving payment of November invoices and recognize expenditures over \$10,000
 - 2. Consider approving the November 2015 Financial Statements
 - 3. Consider approving the 2016 Budget
 - 4. Consider approving out of state travel requests
- VII. Any other business – None
- VIII. Public Comment – None
- IX. Adjournment

*Serena L. Bruce, Legal/Projects Assistant
Greater Lafourche Port Commission
P.O. Box 490 Galliano, LA 70354
(985)632-6701*

In accordance with the Americans with Disabilities Act, if you need special assistance, please contact us at (985) 632-6701, describing the assistance that is necessary.

OFFICIAL PROCEEDINGS OF THE GREATER LAFOURCHE PORT COMMISSION
December 9, 2015

The Board of Commissioners of the Greater Lafourche Port Commission met in regular session on Wednesday, December 9, 2015 at 10:30 AM at the Administration Building 16829 East Main Street, Galliano, LA.

President Gisclair called the meeting to order and Secretary Cheramie called roll.

ATTENDED: Chuckie Cheramie, Kris Gaudet, Ted Savoie, Perry Gisclair, Larry Griffin, John Melancon Jr., Jimmy Guidry, and Ervin Bruce

ABSENT: Wilbert Collins

Upon motion by Melancon and second by Cheramie, with no public comment, the board unanimously approved the minutes for November 12, 2015 regular meeting.

Executive Director's Report

Northern Expansion – Engineer Joe Picciola reported Crosby Dredging is making the 6th pass for the Slip D Bucket Dredge. They are having some difficulty with the hard sand however it is good for the project building a tight platform. The platform elevations are above what is required in the specs in most locations. Once they are complete with this pass, we will do surveys to determine where they are and report that to the board. Engineer Larry Picciola reported Shavers-Whittle Construction completed the access road and is now working along the waterfront area for Slip C 800 LF East Bulkhead project. The cranes are on site and they plan to excavate for the deadman next week. Engineer Larry Picciola reported bids were received on December 3rd for the Slip C 950 LF West Bulkhead project. The lowest bid was Blanchard Contractors in the amount of \$5,705,989.11. There was a 21 cent error in calculations but it doesn't change the bid outcome. Recommendation is to award later on the agenda. Melancon questioned how many contractors submitted bids, which Picciola replied 9. Picciola stated this project is \$320 a foot less than the 800' bulkhead and if account for the longer sheets this project is \$560 a foot cheaper than the current 800' bulkhead project.

Airport Projects – Engineer Joe Picciola reported Plaisance Dragline mobed in a crane within the last 2 weeks for the Pump Station project. They are installing the trash screens now. The platform for the pumps are fabricated and being painted. The pumps are expected to be delivered December 21st.

Other Projects – Engineer John Plaisance reported the Nerby Collins Commercial Marina Bulkhead is complete. On the agenda later is Change Order No. 4 an increase of \$15,606 to replace the superstructure on wharf E4. Melancon questioned the finishing cap, which Plaisance replied yes, the wood cap will be installed by E&L Enterprise and will be funded by the grant. Engineer Larry Picciola reported Dupre Bros has driven all piles for the Mooring Dolphins Phase 4 project. The plates are being welded with 4 completed and ready for painters. The contract time ends February 14th however they estimate completion in January. Engineer Joe Picciola reported that bids were received on September 1st and extended to December 15th for the Fourchon Bridge Helper Bent project. The lowest bid was Professional Construction Services for \$331,255. Recommendation is to award today. Chiasson stated we have commitments from other agencies of \$211,877.50 leaving the remainder to be Port funded \$119,377.50. Later on the agenda is approval of these agreements. Engineer Joe Picciola reported on the Airport Road Paving project. The contractor started the excavating and ditch work on the north side. There was some bad material that came up but we are working that out with the contractors. They will continue doing 500' sections at a time on each lane to allow traffic to flow. Engineer Joe Picciola reported Plaisance Dragline installed piles yesterday for the Steel Mooring Piles in Bayou Lafourche. They are scheduled to pour concrete today. They will then touch up paint and put cap on top which should be complete next week. Chiasson reported

the Assumption of Maintenance Report has been finalized and submitted to the Corps. We are now awaiting their review and approval. The Section 203 Feasibility Study is also awaiting the Corps review and approval. Davie Breaux reported Huey Stockstill has completed the base paving of LA 3090. There is a 2 inch wear course and shoulder work left to complete.

Update on LA 1 Projects - Henri Boulet reported Segment C of the LA 1 Improvement Project remains scheduled to receive bids this coming spring. The Coalition is continuing to work with state and federal government agencies in developing funding streams for Phase II's Segments A & B. On the federal level, the Coalition is thankful for the hard work of our Louisiana delegation in securing language in the new federal highway bill to benefit LA 1. Special thanks goes to Representative Garret Graves who served on the transportation bill's conference committee that negotiated the final language, and to House Majority Whip Steve Scalise whose role within House Leadership was key in securing meaningful provisions which recognized the project's importance and role in energy security. We also recognize Senators David Vitter and Bill Cassidy for their support during the process. Sen. Vitter's role on the Senate Committee on the Environment and Public Works allowed him to secure language to advance the LA 1 Project early in the legislation's process. Provisions from the bill important to LA 1 include: Nationally significant freight and highway projects – improving roadways vital to national energy security is now a goal. National highway performance program – language defining LA 1 as critical infrastructure. National highway freight program – an ability to define LA 1 as a critical rural freight corridor and making LA 1 eligible. The most meaningful provision is the eligibility for the freight program. That program is expected to fund nearly \$800m/year in projects nationally. We will be looking for that program's application process going forward. On the state level, we are continuing to work with LA DOTD, CPRA and the State Treasurer's Office on some state funding streams.

Committee Reports

Executive Committee - The committee met on November 18th in Galliano present was Gisclair, Cheramie, and Griffin with Melancon absent. They also met on December 7th in Galliano with Cheramie absent.

Upon motion by Cheramie and second by Melancon, with no public comment, the board unanimously approved the Louisiana Land & Exploration graveyard agreement.

Upon motion by Griffin and second by Gaudet, with no public comment, the board unanimously approved the proposal of \$5,010 from Tommy Plaisance for the hunting lease at the SL Industrial Park.

Upon motion by Bruce and second by Guidry, with no public comment, the board approved the request from Weeks Marine to extend the short term lease for 1 year from January 1, 2016 to December 31, 2016 for the area in Slip C to moor standby barges during the Caminada Headland Restoration project. The vote resulted in 7 yeas, 1 absent, and 1 abstain by Savoie.

Upon motion by Melancon and second by Savoie, with no public comment, the board unanimously approved the request from Newpark Drilling to extend the Right of First Refusal on site GLF630 for 6 months ending June 30, 2016.

Upon motion by Griffin and second by Cheramie, with no public comment, the board unanimously approved the Cooperative Endeavor Agreements with Edward Wisner Donation, Chevron USA, and Caillouet Land for the Fourchon Bridge Helper Bent project. Melancon questioned if this includes the Parish agreement, which Chiasson replied we approved that agreement last month.

Upon motion by Griffin and second by Cheramie, with no public comment, the board unanimously approved the request from Adriatic Marine to lease 3 mooring dolphins in Flotation Canal.

Upon motion by Savoie and second by Gaudet, with no public comment, the board unanimously approved the request from Odyssea Marine to lease 3 mooring dolphins in Flotation Canal.

Permits & Waterways Committee - The committee met on November 18th in Galliano present was Cheramie, Gisclair, Collins, and Griffin. They also met on December 7th in Galliano with Cheramie and Collins absent.

Upon motion by Gaudet and second by Cheramie, with no public comment, the board unanimously approved Change Order No. 1 an increase of \$5,460 from SBL Construction for the 2015 Bayou Cleanup project.

Chairman Cheramie presented for the board's review the permit application from GIS Marine, LLC.

Construction & Development Committee - The committee met on November 18th in Galliano present was Bruce, Gisclair, Griffin, and Savoie. They also met on December 7th in Galliano with all present.

Upon motion by Bruce and second by Guidry, with no public comment, the board unanimously adopted the resolution for the DOTD application for Port Priority Program funding.

Upon motion by Savoie and second by Gaudet, with no public comment, the board unanimously awarded the lowest responsive bid of \$5,705,989.11 from Blanchard Contractors for the Slip C 950' West Bulkhead project.

Upon motion by Griffin and second by Bruce, with no public comment, the board unanimously approved Change Order No. 4 an increase of \$15,606.00 and 10 calendar days from Dolphin Services for the Nerby Collins Marina project.

Upon motion by Bruce and second by Gaudet, with no public comment, the board unanimously awarded the lowest responsive bid of \$331,255 from Professional Construction Services for the Fourchon Helper Bent project.

Finance Committee - The committee met on November 18th in Galliano present was Gaudet, Gisclair, and Guidry with Melancon absent. They also met December 7th in Galliano with all present.

Upon motion by Melancon and second by Guidry, with no public comment, the board approved payment of November invoices and recognized expenditures over \$10,000 which total \$2,353,074.19. The vote resulted in 7 yeas, 1 absent, and 1 abstain by Griffin.

Upon motion by Melancon and second by Bruce, with no public comment, the board unanimously approved the November 2015 Financial Statements.

Chairman Melancon presented for the board's consideration approving the 2016 Budget. Finance Director James Rome presented the highlights of the budget. The Port revenues \$29,573,932 includes 20% discount thru March 2016 along with new revenues for dolphins starting in April other than that no new bulkhead properties. The operating profit is \$1,474,292. Items not considered operation are: ad-valorem, applying for capital grants, maintenance grants, interest income, and special projects with other entities. These are considered non-operating revenue/expenses with that the net income \$15,428,181 (income statement profit). We are projected to begin the year with \$78,619,106 and after all operations, investments and non-cash accounting we project to end the year with \$73,123,172. This year we entered negotiations with the landowner for Fourchon Island Development and feel the need to earmark the expenses of a business plan in this budget which would be \$50 million. With that investment, we project the ending cash to be \$23,123,172. Overall summary: operating budget \$28,099,640, capital budget \$29,662,133, non-operating budget \$3,224,347 for a total 2016 Budget of \$60,986,121. He stated last year's budget was \$78,074,983.

A highlight of capital projects in the budget are: 18 mooring dolphins \$1 million, Slip C 800' bulkhead and dredge \$6 million, Slip C 950' bulkhead and dredge \$7 million which are all Port funded projects. Expensed projects are: Bayou Lafourche dredge \$2 million, Section 203 Study \$2.3 million with possible grant funds of \$1.4 million, Fourchon Bridge Repair \$365,000 with funding from other entities, maintenance dredging around dolphins \$737,120. Other projects are: Slip D dredge \$10 million with possible grant funds of \$7.6 million, connector road base and paving \$3 million with possible grant funds of \$1.7 million. A port security project is to place cameras at the Storm Harbor Marina. Airport projects are: storm water management, tree obstruction removal, lighting improvements, easement acquisitions, and pump station upgrade. Non-Operating highlights in the budget are continuing 6.83 mills that will total \$4.6 million of ad-valorem tax revenue, capital grants \$10 million, operating & maintenance grants \$2.2 million, and special items expenses of \$279,564 which are with other entities: LPG airport corridor study, vessel graveyard living shoreline, and NOAA meteorology station.

The overall operating budget \$28.1 million, capital budget \$29.6 million, non-operating budget \$3.2 million totals the 2016 budget of \$60.9 million. Upon motion by Melancon and second by Gaudet, the floor was opened for discussion. Andrew Martin questioned if copies of the budget are available to the public, which Chiasson replied yes. With no other public comment, the board unanimously approved the 2016 Budget of \$60,986,121.00.

Upon motion by Melancon and second by Griffin, with no public comment, the board unanimously approved the out of state travel request from April Danos to attend the AAPA IT Committee Meeting on February 22nd in North Carolina.

The Commissioners then wished each and every one a Merry Christmas and a prosperous New Year.

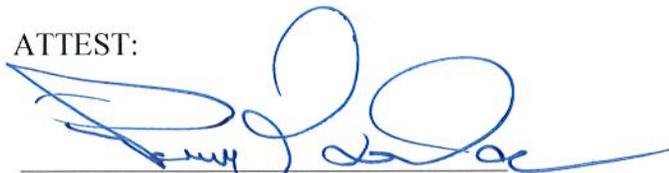
President Gisclair opened the floor for public comment. Lori Leblanc with Gulf Economic Survival Team (GEST) updated the board on the proposed Well Control Rule concerning federal regulations that is a one size fits all. The concern is that it could actually increase risk and safety in oilfield operations. As well as have a major impact on the local and regional economy. GEST is commissioning a microeconomic study to further articulate the impact that this rule will have on our jobs and economy. We expect results in a couple of weeks. Initially BSEE estimated the compliance cost to be \$880 million and industry only had 90 days to review this rule and their preliminary estimate is \$32 billion of compliance cost. A major discrepancy and as you can imagine when oil and gas companies have to put up this kind of money for compliance for a rule that may not even improve safety it will trickle down to our local economy. The good news is we have the support of the Port and many others to do this study so we can visit with OMB to deliver our message of the impact to our economy. She also mentioned we have the support of Governor Elect John Bel Edwards who wrote a letter to Secretary Jewell. She then read an excerpt from the letter that expressed his concerns. Leblanc looks forward to working with the Port to advocate against this rule to ensure we don't do anything to hinder offshore development.

Breaux stated the Fourchon Oilman's Association presented their grant award ceremony last night to give back to the community and gave \$98,000 to schools, charitable organizations, Shriners, and coastal restoration groups.

Chiasson then congratulated Joni Tuck on being named Chairman of the Chamber of Lafourche.

Upon motion by Cheramie and second by Gaudet, the board adjourned the board meeting at 11:11 AM.

ATTEST:



Perry Gisclair, President



Harris "Chuckie" Cheramie, Jr., Secretary