

January 13, 1999

I. Call to order

II. Roll Call

III. Pledge of Allegiance

IV. Approval of minutes of December 9, 1998 Board Meeting

V. Executive Director's Report

- A. E-Slip Expansion
- B. Deep Draft Berthing Facility
- C. Operations Center
- D. Highway Improvements

VI. Committee Reports:

A. Executive

- 1. Authorize President to execute Consent to Leasehold Mortgage & Waiver from Community Bank of Lafourche for Fourchon Seafood, Inc.
- 2. Authorize President to execute Act of Mortgage & Security Agreement by Energy Environmental LLC in favor of Tuboscope Uetco Int., Inc.
- 3. Authorize engineers to proceed for bids on FEMA Projects
 - A. Picciola & Associates - Breakwater & Jetty Repairs
 - B. J. Wayne Plaisance Engineers - Dredging Belle Pass

B. Legal, Permits, Waterways:

- 1. Letter of No Objection
 - a. Energy Partners, LTD.
 - b. Chevron USA, Inc.
 - c. David Industries, Inc.
 - d. Jimmy Martin
- 2. Navigational Lights in Belle Pass

C. Construction & Development

- 1. Request from Harris Cheramie for First Right of Refusal
- 2. Request from Martin Terminal, Inc. to negotiate a lease with Hydro-Dynamics
- 3. Request from Martin Terminal, Inc. to negotiate a lease with Oceaneering International
- 4. Request from C-Port to change name on Tract H to Offshore Support Services, LLC

D. Finance:

- 1. Approval of Invoices and recognize following expenditures of over \$10,000:

a. Cajun Trucking, Inc.	\$174,360.25
b. Cajun Trucking, Inc.	\$63,390.00
c. Ronald Adams, Contracting, Inc.	\$35,336.25
d. Larry J. Picciola, Inc.	\$29,596.29
e. Larry J. Picciola, Inc.	\$22,044.31
f. Picciola & Associates	\$70,034.47
g. Johnson Brothers Corp.	\$106,875.00
h. Bonneval Construction	\$16,535.70
i. L & A Contracting Co.	\$235,038.07
j. L L & G Construction, Inc.	\$105,829.86
- 2. Finance Report
- 3. Authorize Executive Director to engage Bergeron & Lanaux for annual audit

VII. Any other business

VIII. Adjournment

OFFICIAL PROCEEDINGS OF THE GREATER LAFOURCHE PORT COMMISSION
January 13 1999

The Board of Commissioners of the Greater Lafourche Port Commission met in regular session in the Conference Room of the Commission Administration Building in Galliano, Louisiana on Wednesday, January 13, 1999 at 10:30 AM pursuant to the provision of due notice in writing to each and every member thereof and duly posted in the manner prescribed by law.

President Crosby called the meeting to order and requested that Board Member Cheramie call the roll.

PRESENT: Harrison Cheramie, Jr., Rodney Terrebonne, Vinton Crosby, Johnny Melancon, Ervin Bruce,, Larry Griffin Donald Vizier, and Chester Cheramie

ABSENT: Dudley Bernard

Also present were Ted M. Falgout, Executive Director; Davie Breaux, Asst. Director; Loulan Pitre, Port Attorney; Marco Picciola, Larry Picciola and Andre Uzee from J. Wayne Plaisance, Inc., Port Engineers; Gerald Guidry, Harbor Police Chief; and Cindy F. Dufrene, Port Secretary.

President Crosby led in the recitation of the Pledge of Allegiance.

Upon motion by Harrison Cheramie, Jr., seconded by Donald Vizier and unanimously passed, the minutes of December 9, 1998 Board Meeting were approved.

President Crosby then called upon Executive Director Ted Falgout for his report.

EXECUTIVE DIRECTOR'S REPORT:

Commencing his report, in connection with the E-Slip Bulkhead Extension, 2nd Leg, Director Falgout called upon project engineer Larry Picciola for his report. Mr. Picciola reported L L & G Construction Co. has completed driving approximately 30% of the deadman piles. Steel sheet piles are scheduled to arrive at the end of February.

In connection with Leg III, E-Slip Expansion, Director Falgout called upon project engineer Marco Picciola for his report. Mr. Picciola reported a work order was issued for the end of November but the contractor didn't start until after the first of the year and is aware of the time frame for this project. Equipment was moved in last week to build the service road to the project site. The crane is up and Mr. Picciola suspects the contractor will start driving timber piles and concrete deadman by early next week. Discussion followed.

In connection with the Deep Draft Berthing Facility, Bulkheading, Director Falgout called upon project engineer Larry Picciola for his report. Mr. Picciola reported L & A Contracting Company should have the job completed by the end of the month. The painting problems have been resolved

and completed.

In connection with the Deep Draft Berthing Facility, Dredging, Director Falgout called upon project engineer, Larry Picciola for his report. Mr. Picciola reported Weeks Marine, Inc. has started dredging and should complete the main leg of the E-Slip, except for the plug, at the end of this week or early next week. Then, they will dredge the first leg of the E-Slip and then the second.

In connection with the Operations Center, Director Falgout called upon project engineer, Edmond Cheramie, for his report. Mr. Cheramie reported the installation of the metal roofing is in progress, handrails are being prepped for painting, air conditioning sub contractor is installing thermostats and the 3 comp sink drain is being installed. Director Falgout expressed concerns from the board members on the installation of the roof. Discussion followed. Mr. Falgout stated that he and other employees from the Port Commission looked over the building with Mr. Cheramie and the contractor and had identified a number of things which needed to be looked at but over all agree the building is impressive. More discussion followed.

In connection with the highway improvements, Director Falgout called upon Port Attorney Loulan Pitre for his report on the Preliminary Toll Road Feasibility Study from Wilbur Smith Associates. Mr. Pitre reported that the study has determined that the revenues from this road, if it were built, could support a bond sale of anywhere from \$25 to \$39 million dollars depending on certain choices that would be made on how the road would be set up and how the existing LA Hwy. 1 would be maintained after the road would be set up. This would cover anywhere from 6% to about 9 ½ % of what they project the construction cost to be. Their projection of the cost are very rough and as more engineering estimates for this road and from other studies that are ongoing are received this percentage could change quite significantly. Attorney Pitre stated that the bottom line is the toll revenues could produce a substantial amount of bonding capacity but the road cannot be built with just toll revenues, it will need big sources of public funds to build it. Discussion followed.

In connection with the highway improvements, Director Falgout reported the Commission will be receiving another 3 to 4 barges of stone to raise the elevation in the Bud's Camp area. He stated they will try to create a berm like in the other areas to block the debris from floating onto the highway during high tide and to protect the roadway from vessels making wakes.

In connection with the highway improvements, Director Falgout called upon project engineer Larry Picciola for his report. Mr. Picciola reported Barriere Construction Co. has completed the contracts and will place them in the mail today. A pre construction meeting will be set later. Barriere is looking to start the project in mid February. They are trying to finish up other small projects in the area before going to Fourchon.

Director Falgout called upon Harbor Police Chief Gerald Guidry for his report on a diesel spill that occurred in the port yesterday. Chief Guidry reported that he received a call yesterday around 10:00 about a vessel, the Elkhorn River, which had lost control and ran into a barge at L & L Oil Dock which created approximately 51,000 gallons of diesel to spill into Bayou Lafourche and which caused the bayou to be closed from L & L Oil Dock north to the Leeville Bridge. Chief Guidry reported that he made an inspection around 8 am this morning and mostly all the diesel was picked up from

L & L Oil Dock to C-Port. C-Port was able to proceed with business today and made arrangements with the Coast Guard to continue to soap up the area the rest of the day and to have vessels escorted in and out. Approximately 30,000 gallons of diesel had been retrieved. The area north at this time is still closed to vessel traffic. He commented upon the quick response to this incident in notifying the Harbor Police and commended the crew at C-Port who took it upon themselves to use their booms to retrieve the diesel which shut down their operations. He commended the companies at the Port for their mutual agreement and their quick response to the situation and to the Harbor Police personnel for their part in the retrieval of the diesel. Mr. Falgout asked if there was any environmental damage north of the Port. Chief Guidry stated there is a minimal amount of damage around the Plaisance camp area. Discussion followed.

EXECUTIVE COMMITTEE:

Vinton Crosby, Chairman
Dudley Bernard, Member
Harrison Cheramie, Jr., Member
Donald Vizier, Member

President Crosby presented a resolution for consideration authorizing the President to execute Mortgage & Waiver of Lessor's Lien with Community Bank for Fourchon Seafood, Inc. Upon motion by Donald Vizier, seconded by Larry Griffin, and unanimously passed, the Board of Commissioners does hereby authorize President Crosby to execute Mortgage & Waiver of Lessor's Lien with Community Bank for Fourchon Seafood, Inc.

President Crosby presented a resolution for consideration to execute an Act of Mortgage & Security Agreement by Energy Environmental L.L.C. in favor of Tubo-FGS, Inc. Upon motion by Harrison Cheramie, Jr., seconded by Johnny Melancon and unanimously passed, the Board of Commissioners does hereby authorize President Crosby to execute an Act of Mortgage & Security Agreement by Energy Environmental L.L.C. in favor of Tubo-FGS, Inc.

President Crosby presented a resolution for consideration authorizing port engineers to proceed for bids on FEMA Projects as follows: Picciola & Associates - Breakwater & Jetty Repairs Project; J. Wayne Plaisance Engineers - Dredging of Belle Pass Project. Upon motion by Rodney Terrebonne, seconded by Johnny Melancon and unanimously passed, the Board of Commissioners does hereby authorize port engineers to proceed for bids on FEMA Projects as follows: Picciola & Associates - Breakwater & Jetty Repairs Project; J. Wayne Plaisance Engineers - Dredging of Belle Pass Project.

LEGAL PERMITS & WATERWAYS:

Larry Griffin, Chairman
Chester Cheramie, Member
Ervin Bruce, Member

Chairman Griffin read the request for letters of no objection. Upon motion by Larry Griffin, seconded by Rodney Terrebonne, and unanimously passed the Board of Commissioners does hereby approve

the following letters of no objection:

Energy Partners, LTD
Chevron USA, Inc.
David Industries, Inc.
Jimmy Martin

Chairman Griffin reported the committee received complaints on the navigational lights in Belle Pass. Director Falgout stated that around 6 to 8 months ago a survey was done on the uses of the channel to determine if there were any navigational problems between commercial fisherman and oilfield vessels and if there were any navigational aids concern. Several comments were that the range lights were hard to determine from the other lights in the port. This survey had been taken to the Coast Guard and since then there has been considerable concern with all the activities at the port, the background lighting, and the number of vessels docked at the port at night with their red and green navigational lights on and the entrance jetty lights being at minimal capacity and their ability to detect those lights. Many mariners think entering the channel has become a dangerous situation. Director Falgout continued that he and Chief Guidry met with Cmmdr. Terrel with the Coast Guard who is in charge of Navigational Aids and has pledged his assistance and will evaluate not only the entrance lights but the entire navigational aids system in Belle Pass and make a recommendation soon.

CONSTRUCTION & DEVELOPMENT:

Dudley Bernard, Chairman
Rodney Terrebonne, Member
Larry Griffin, Member

In Chairman Bernard's absence, Board Member Terrebonne reported the construction committee received a request from Harris Cheramie for First Right of Refusal on property between Lafarge Corporation and Fremin Products, LLC on the Flotation Canal. Board Member Terrebonne reported the committee does not wish to grant the request at this time because the site is being used for storage of rip rap and for other uses. Director Falgout added that it is the only property the port still has that has waterfront property and when Barriere Construction begins construction on the overlay of the port roads, they will use the waterfront to offload materials from barges rather than trucking them in which has cut the cost of the project considerably. Board Member Melancon stated that when the property ever becomes available the Commission should notify Mr. Cheramie of its availability. Director Falgout stated he intends to do so.

Board Member Terrebonne reported the construction committee received a request from Martin Terminal to negotiate a lease with Hydro-Dynamics and with Oceaneering International. Director Falgout reported that the Commission had received the Hydro Dynamics sub-lease yesterday but not the Oceaneering International sub-lease but stated the sub-lease will pattern the Hydro Dynamics sub-lease. He requested for consideration approval of both requests pending review and approval of sub-lease by the Port Attorney. Upon motion by Rodney Terrebonne, seconded by Ervin Bruce and unanimously passed, the Board of Commissioners does hereby approve Martin Terminal, Inc.'s request to negotiate a lease with Hydro Dynamics and Oceaneering International pending review and

approval of sub-leases by the Port's Attorney.

Board Member Terrebonne reported a request was received from C-Port, L.L.C. to change name on Tract H Lease to Offshore Support Services, L.L.C. Upon motion by Rodney Terrebonne, seconded by Chester Cheramie and unanimously passed, the Board of Commissioners does hereby approve request from C-Port, L.L.C. to change name on Tract H Lease to Offshore Support Services, L.L.C.

Director Falgout stated that a motion had not been made concerning the Right of First Refusal request from Harris Cheramie. Upon motion by Rodney Terrebonne, seconded by Johnny Melancon and unanimously passed, the Board of Commissioners does hereby refuse to grant the First Right of Refusal request from Harris Cheramie but will notify him if property is made available for lease.

FINANCE COMMITTEE:

Donald Vizier, Chairman
Harrison Cheramie, Jr., Member
Johnny Melancon, Member

Chairman Donald Vizier presented the invoices for December, 1998 and the expenditures over \$10,000 for approval. Upon motion by Donald Vizier, seconded by Harrison Cheramie, Jr., and unanimously passed, the Board of Commissioners does hereby approve the invoices for December, 1998 and recognizes the following expenditures over \$10,000:

a)	Cajun Trucking, Inc.	\$174,360.25
b)	Cajun Trucking, Inc.	\$ 65,390.00
c)	Ronald Adams Contracting, Inc.	\$ 35,336.25
d)	Larry J. Picciola, Inc.	\$ 29,596.29
e)	Larry J. Picciola, Inc.	\$ 22,044.31
f)	Picciola & Associates	\$ 70,034.47
g)	Johnson Brothers Corp.	\$106,875.00
h)	Bonneval Construction	\$ 16,535.70
i)	L & A Contracting Co.	\$235,038.07
j)	L L & G Construction, Inc.	\$105,829.86

Director Falgout noted that the two Cajun Trucking, Inc. invoices and the Ronald Adams invoices will be 100% reimbursed from DOTD, Capital Outlay Program, and the Johnson Brothers Corp. invoice will be 90% reimbursed from DOTD, Port Priority Program.

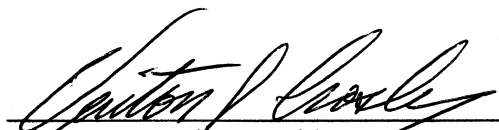
Chairman Vizier presented the Financial Report for December, 1998. Upon motion by Donald Vizier, seconded by Ervin Bruce, and unanimously passed, the Board of Commissioners does hereby approve the Financial Report for December, 1998.

Chairman Vizier made a motion to authorize Executive Director Ted Falgout to execute an engagement letter with Bergeron & Lanaux in reference to the Port Commission's annual audit which was seconded by Chester Cheramie and unanimously passed, the Board of Commissioners does

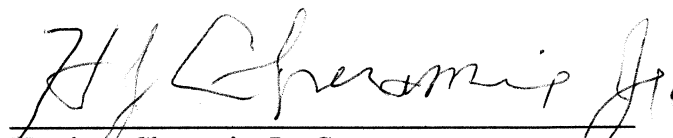
hereby authorize Executive Director Ted Falgout to execute an engagement letter with Bergeron & Lanaux in reference to the Port Commission's annual audit.

Upon motion by Larry Griffin, seconded by Rodney Terrebonne and unanimously passed, the Board Meeting adjourned.

ATTEST:



Vinton J. Crosby, President



Harrison Cheramie, Jr., Secretary