

AGENDA
July 14, 1999

- I. Call to Order
- II. Roll Call
- III. Pledge of Allegiance
- IV. Approval of minutes of June 16, 1999
- V. Executive Director's Report
 - A. E-Slip Expansion Updates
 - 1. 2nd Leg
 - 2. 3rd Leg
 - B. Fourchon Bridge
 - C. Northern Expansion Update
 - D. FEMA Damage Repairs
 - 1. Stone Jetties
 - 2. Offshore Breakwaters
 - 3. Belle Pass Dredging
 - E. Highway Improvements
 - F. OCS Revenue Sharing Update
- VI. Committee Reports:
 - A. Executive:
 - 1. Request from Harris Cheramie for 2% increase in escalation
 - 2. Designate AAPA Delegate
 - 3. Millineum Port Appointment
 - B. Legal, Permits, Waterways:
 - 1. Letter of No Objection
 - A. Chevron USA Production Co.
 - 2. Request from Grand Isle Port
 - 3. Havoline Canal to Houma Navigation Channel
 - C. Construction & Development
 - 1. Request from Stolt Comex Seaway, Inc. (American Oilfield Divers) to extend lease for one year with a 90 day notice to terminate lease
 - 2. Request from Deepwater Port Services to sublease to Pacific Gulf Wire Rope
 - 3. Nerby Collins Marina bulkhead failure
 - D. Finance:
 - 1. Approval of Invoices and recognize following expenditures of over \$10,000:

1. L & A Contracting Co.	\$ 91,520.66
2. Picciola & Associates	\$ 55,104.40
3. Picciola & Associates	\$ 15,945.46
4. LL&G Construction, Inc.	\$137,311.38
5. C.E.C., Inc.	\$ 34,537.50
6. C.E.C., Inc.	\$ 72,067.50
7. Johnson Brothers Corp.	\$623,659.08
 - 2. Approval of payment of retainages once clear lien certificates are received for the following:
 - 1. Bonneval Construction
 - 2. Weeks Marine
 - 3. Barriere Construction
 - 3. Finance Report
 - 4. Mark Felger with Bergeron & Company to present Financial Statements
 - E. Personnel:
 - 1. Introduce new employee (Robbie Smith)
- VII. Any other business
- VIII. Adjournment

OFFICIAL PROCEEDINGS OF THE GREATER LAFOURCHE PORT COMMISSION
July 14, 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, July 14, 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 Collins call the roll.

PRESENT: Vinton Crosby, Johnny Melancon, Ervin Bruce, Larry Griffin, Donald Vizier, Dudley Bernard and Wilbert Collins, Sr.

ABSENT: Harrison Cheramie, Jr. and Rodney Terrebonne

Also present were Ted M. Falgout, Executive Director; Davie J. Breaux, Assistant Director; Loulan Pitre, Port Attorney; Marco Picciola, Larry Picciola and John Plaisance, Port Engineers; and Cindy F. Dufrene, Port Secretary.

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

Upon motion by Donald Vizier, seconded by Dudley Bernard and unanimously passed, the minutes of the June 16, 1999 Board Meeting was approved.

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

EXECUTIVE DIRECTOR'S REPORT:

Director Falgout called upon project engineer Larry Picciola for his report on the E-Slip Bulkhead Extension 2nd Leg. Mr. Picciola reported that a couple of months ago he sited a few areas in the deep draft project where limestone had sank a little. Three weeks ago, a deeper sinkhole was sighted. He contracted a diver who found holes in four areas along the bulkhead, which appear to have been made by a dredge. Weeks Marine, the dredging contractor for the E-Slip 2nd Leg project, was contacted and arrangements are being made to assess the entire bulkhead for further damages. Mr. Picciola stated he would meet with Weeks in a few days to discuss the next step. Discussion followed. Mr. Falgout raised a question as to whether the Commission should delay the request for a lien free certificate on the Weeks Marine contract. Mr. Picciola recommended delaying the request. As to the 2nd Leg Bulkhead contract, Mr. Picciola reported that L L & G Construction Co. will work through the weekend hoping to be finished Monday, July 19th, 1999, the contract completion date. He did confirm that they are running a little behind on putting the light weight aggregate behind the bulkhead and are pouring the last crane pad and mooring pilings tomorrow. Because Martin has road work to do behind the bulkhead, an agreement was made that Martin's contractor would finish building the deadmen. Discussion followed.

Board Member Terrebonne entered the meeting during the above discussion.

In connection with Leg III, E-Slip Expansion, Director Falgout called upon project engineer Marco Picciola for his report. Mr. Picciola reported that the contractor, Johnson Brothers, is approximately 92% complete with 65% of the time elapsed. On Part II of this project, which has been revised, he recommends bids to be opened on September 2, 1999. On Part III of this project, Dredging - Part A, the area in front of the bulkhead built by Johnson's Brothers, bids are scheduled to be opened on August 9, 1999 with the intent of awarding this bid to a contractor and having them ready to move on site as soon as Johnson Brothers completes their project. Discussion followed.

In reference to the Fourchon Bridge Repair, Director Falgout called upon project engineer Mike Badeaux for his report. Mr. Badeaux reported that the contractors are erecting the bracing beams. The contractors did the repair on the first span, inspected the other spans and based on the work needed on the first span, estimated how much it would cost to upgrade the spans to not only get the required rating for the bridge, but to increase the lifespan of the bridge and possibly eliminate more repairs for a few years. The cost per unit price for that portion would be around \$110,300.00. Mr. Badeaux commented that the Board may want to consider doing the additional work now since their unit cost per linear foot will be less. Mr. Falgout explained that Chevron, DED and the Commission are partners in funding this project and that any additional costs would be borne by the Commission.

Board Member Vizier suggested that Mr. Falgout speak to Chevron to determine whether they may be interested in funding the additional cost to have the bridge in top shape. Director Falgout said he would try to reach Chevron. Upon motion by Johnny Melancon seconded by Donald Vizier and unanimously passed, the Board of Commissioners moved to further discuss this issue in the Finance Committee and contact Badeaux within the next two weeks with their findings.

In reference to the Northern Expansion, Director Falgout reported that Attorney Pitre has worked out the final details with Wisner on the proposed agreement for the Northern Expansion. Attorney Pitre will meet with the Executive Committee within the next two weeks to discuss in detail the issues in the proposed agreement. In a month or so the Committee should be in a position to recommend to the Commission what action to take on this agreement.

In connection with the Breakwater Repairs & Jetty Repairs, Director Falgout reported that at the last meeting, the bid was awarded pending FEMA approval on a cost overrun of the repairs to the breakwater jetties. The contractor is anxious to get started, but we are waiting for the official word from FEMA to start this project. He added that the DSR for the additional cost has reached the person with the authority to grant approval on the cost overrun.

In reference to the FEMA Project, Belle Pass Dredging, Director Falgout called upon project engineer John Plaisance for his report. Mr. Plaisance stated they have done all their field work, have done random cross sections. Within the next few weeks he should wrap up the plans and specs and should be able to put the project out for bid. Mr. Falgout stated that this project cannot start until the Chevron and the Tennessee Gas pipelines have been relocated. Assistant Director Breaux is making every effort to have the parties involved in relocating the pipelines move quicker so the

Commission does not have to delay awarding this project. Discussion followed.

In connection with the Environmental Impact Statement for the section of highway from Golden Meadow to Port Fourchon, Mr. Falgout reported DOTD has agreed on the scope of services and we should see some actual work done in the field.

In reference to the Feasibility Study, from Larose to U.S. Highway 90, Director Falgout stated that last week DOTD had issued a request for comments from the public.

In reference to the shoulder overlay on LA 1 from Golden Meadow to LA Seafood, Director Falgout reported the project is scheduled to be bid out in September.

In reference to the request from the Town of Golden Meadow for assistance with their Sea Wall Project, Mr. Falgout reported that Mr. Marco Picciola submitted a chart identifying six potential problem areas where there are obstructions. Mr. Falgout suggested, if it is the Commission's will, the Port should continue to monitor these areas, especially at low tide, and talk to potential contractors to see what it would entail to remove the debris from the areas before the Commission takes any action. It may take as long as going into the winter months to better define what is down there and he doesn't think that anything can be done before the next hurricane season so it may be better to wait and evaluate it. No objection was expressed.

In reference to OCS Revenue Sharing, Director Falgout stated that the bill is still working its way through Congress. A Coalition was formed by a group of governments and other entities called the Conservation Council. He stated that he is Chairman and Secretary of DNR Jack Calwell is President of this Council. He also stated that this afternoon he would be meeting with someone from Scientific American who is doing a story on OCS Revenue Sharing, coastal land loss, barrier islands, and the related impact on the Port's infrastructure. He also has a meeting scheduled next week with the Secretary of the Interior, Bruce Babitt, during his visit to Louisiana.

Assistant Director Davie Breaux reported that a meeting is scheduled next week at the Operations Center with the contractor, Bonneval Construction, to discuss the down spouts being fabricated, and with the elevator company to resolve problems the Commission has been experiencing with the elevator. He added that the generator is now hooked up and running.

EXECUTIVE COMMITTEE:

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

President Crosby presented a request from Harris Cheramie with Port Fourchon Marina, Inc. for a continued 2% annual escalation of lease rental on his next 5 year term. The Commission had made

a recommendation for a 5% annual escalation on Mr. Cheramie's lease. Mr. Cheramie requests that his lease remain at 2% annual escalation because he feels his business is not directly related to oil and gas and he has not experienced a 5% growth. Director Falgout recommended that the Board approve the 2% annual escalation request. Upon motion by Larry Griffin, seconded by Donald Vizier and unanimously passed, the Board of Commissioners does hereby approve the request from Harris Cheramie with Port Fourchon Marina, Inc. for a 2% annual escalation for the next 5 year term of his lease.

President Crosby stated that the Commission needed to appoint a delegate to the AAPA Annual Conference in September. The committee requested appointing Director Falgout. Upon motion by Dudley Bernard, seconded by Rodney Terrebonne and unanimously passed, the Board of Commissioners does hereby appoint Ted M. Falgout as delegate to the AAPA Annual Conference in September.

President Crosby stated the committee discussed the need to select an appointee for the Millennium Port board. Mr. Falgout explained that in the Millennium Port legislation that just passed there is a provision for appointments of the members of that authority. There will be nine voting members and two ad hoc members, which are the Secretary of DOTD and the Secretary of DED. Of the nine voting members, the Port of New Orleans will recommend three names to the governor who in turn will choose one. The other five deep draft ports along with Port Fourchon will each submit a name and the governor will choose two out of the six. He stated if the Board wishes, they can advertise in the newspaper to accept resumes from anyone interested in being a member of the Millennium Port board. Upon motion by Donald Vizier, seconded by Ervin Bruce and unanimously passed, the Board of Commissioners does hereby agree to advertise in the newspaper for resumes of interested people in Lafourche Parish who wish to be a member of the Millennium Port board.

LEGAL PERMITS & WATERWAYS:

Larry Griffin, Chairman
Wilbert Collins, Sr., Member
Ervin Bruce, Member

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

Chevron USA Production Co.

Chairman Griffin stated the committee discussed the Grand Isle request for support of dredging their channel and called upon Director Falgout to elaborate. Director Falgout stated he discussed the issue with the Committee and with Andy Galliano of the Grand Isle Port Commission and sees no problems with writing a letter of support for their request for dredging 20' deep channel out in the Gulf of Mexico thru the Barrataria Pass and in front of their Conoco and Exxon Dock facility;

acknowledging that this is not in direct competition with the Greater Lafourche Port Commission and that the Port Commission views it as compatible and supportive. He added that this should in no way impact the Greater Lafourche Port Commission's plans for expansion at the Port. He asked if there was any objections to writing the letter. There were no objections. He stated he would write the letter reflecting the above support.

Chairman Griffin stated the Commission is soliciting quotes for the Havoline Canal to Houma Navigational Channel. Director Falgout stated he solicited and received a couple of quotes for a Pipeline Delineation. He is evaluating the quotes and has been in touch with the Terrebonne Port Commission to discuss their participation in this effort. Hopefully he will have all of necessary information by the next board meeting.

CONSTRUCTION & DEVELOPMENT:

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

Chairman Bernard stated the Committee received a request from Stolt Comex Seaway, Inc. (American Oilfield Divers) to extend their lease for 1 year with a 90 day notice to terminate lease. Director Falgout stated this lease is for the docks at the Commercial Marina. They did not wish to exercise a 5 year option since they have also acquired property at the old Blanchard site on Caillouet property by Pass Fourchon and are not sure if they will need the port lease. Upon motion by Dudley Bernard, seconded by Johnny Melancon and unanimously passed, the Board of Commissioners does hereby accept the request from Stolt Comex Seaway, Inc. to extend their lease for 1 year with a 90 day notice to terminate lease.

Chairman Bernard stated the Committee received a request from Deepwater Port Services to sublease to Pacific Gulf Wire Rope, who would be subleasing their warehouse. Upon motion by Dudley Bernard, seconded by Donald Vizier, and unanimously passed, the Board of Commissioners does hereby approve Deepwater Port Services request to sublease to Pacific Gulf Wire Rope.

Chairman Bernard then asked Director Falgout to describe the problem with the bulkhead at the Nerby Collins Marina. Director Falgout stated that the west side of the bulkhead at the marina has failed largely due to the increase in activity of vessels with bow thrusters adjacent to the site. The bulkhead was designed to accommodate 14 feet of water in front of the bulkhead. The depth is now 24 feet. Assistant Director Breaux has begun pricing the repair to the bulkhead. Mr. Falgout stated that this issue should be addressed in an emergency declaration. He stated that Assistant Director Breaux would solicit quotes and oversee the repairs. Board Member Vizier asked about the east side of the marina. Assistant Director Breaux stated that the east side will probably not last many more years and is planning to include repairs to it in next year's budget. Upon motion by Johnny Melancon, seconded by Wilbert Collins and unanimously passed, the Board of Commissioners does hereby authorize addressing the bulkhead failure in an emergency declaration and authorizes Assistant

Davie Breaux to solicit quotes and oversee the repairs.

FINANCE COMMITTEE:

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

Chairman Donald Vizier presented the invoices for June, 1999 and the expenditures over \$10,000 for approval. Upon motion by Donald Vizier, seconded by Ervin Bruce, and unanimously passed, the Board of Commissioners does hereby approve the invoices for June, 1999 and recognizes the following expenditures over \$10,000:

1.	L & A Contracting Co.	\$ 91,520.66
2.	Picciola & Associates	\$ 55,104.40
3.	Picciola & Associates	\$ 15,945.46
4.	LL&G Construction, Inc.	\$137,311.38
5.	C.E.C., Inc.	\$ 34,537.50
6.	C.E.C., Inc.	\$ 72,067.50
7.	Johnson Brothers Corp.	\$623,659.08

Chairman Vizier presented pay requests for retainages. Upon motion by Donald Vizier, seconded by Wilbert Collins and unanimously passed, the Board of Commissioners does hereby approve payments of retainages once clear lien certificates are received for the following:

1. Bonneval Construction
2. Barriere Construction

Chairman Vizier presented the Financial Report for June, 1999. Upon motion by Donald Vizier, seconded by Johnny Melancon, and unanimously passed, the Board of Commissioners does hereby approve the Financial Report for June, 1999.

Chairman Vizier introduced Mark Felger with Bergeron & Lanaux to present the 1998 Financial Statement. Mr Felger presented an unqualified opinion on the statements and congratulated the Board on the good financial position the Commission is in. Upon motion by Donald Vizier, seconded by Rodney Terrebonne and unanimously passed, the Board of Commissioners does hereby approve the 1998 Financial Statement.

PERSONNEL COMMITTEE:

Johnny Melancon, Chairman
Rodney Terrebonne, Member
Ervin Bruce, Member

Chairman Melancon introduced the Commission's newest employee, Robbie Smith, who was hired as a Mobile Equipment Operator 2/Heavy.

ANY OTHER BUSINESS

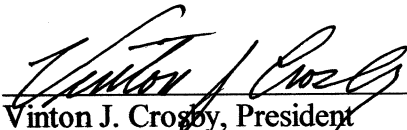
Board Member Vizier voiced his concern over the amount of running lights left on when boats are parked at the docks in Fourchon. President Crosby mentioned that they've discussed this issue before and suggested sending a letter to Coast Guard to inquire if it would be within the Commission's authority to enforce lighting regulations. Director Falgout stated that he and Chief Guidry will meet with the Coast Guard to get clarification on the regulations and take the steps necessary to see that the rules are understood and carried out.

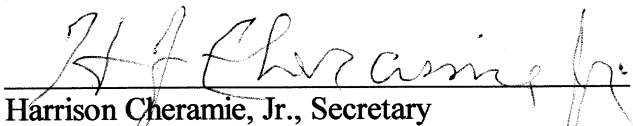
Board Member Vizier mentioned he read in the newspaper about the Corps of Engineer doing a study for the South Lafourche Levee District about the feasibility of constructing locks instead of floodgates and asked if the Commission has issued a letter of support for the project. Director Falgout stated that a letter of support was sent to the Corp for the Levee District. He reiterated that the Commission will assist in any way possible.

Board Member Vizier recommended having Committee meetings twice a month. Upon motion by Donald Vizier, seconded by Wilbert Collins and unanimously passed, the Board of Commissioners do hereby approve having two committee meetings a month; one meeting being held at the new Operations Center and the other held prior to the Board Meeting at the Galliano office.

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