

AGENDA
DECEMBER 12, 2001

- I. Call to Order
- II. Pledge of Allegiance
- III. Roll Call
- IV. Consider November 14, 2001 Regular Meeting Minutes for approval
Consider November 28, 2001 Special Meeting Minutes for approval
Consider December 5, 2001 Special Meeting Minutes for approval
- V. Executive Director's Report
 - A. Northern Expansion Update
 - a. Construction status: John Plaisance
Larry Picciola
 - b. Permit
 - B. Highway Improvements
 - a. Draft EIS
 - b. Meetings
 - C. Millennium Port Update (LEERC)
 - a. COE Cooperative Agreement
 - b. Meetings
 - D. Airport Update
 - a. Status
 - b. Meetings
- VI. Committee Reports
 - A. Executive Committee
 - a. Consider approving the revised Civil Service Pay Plan for revisions made to Rule 6.5g
 - b. Consider approving the revised Civil Service Optional Pay Adjustments policy for revisions made to Rule 6.16.2
 - c. Consider approving the revised Rewards and Recognition Program for revisions made in accordance with Civil Service Policy changes
 - d. Consider approving the Budget Policy
 - e. Consider approving the revised Harbor Police Standards of Conduct
 - f. Authorize Executive Director to solicit for proposals for use of East Golden Meadow Project property
 - g. Consider canceling or rescheduling the December 26th Fourchon Committee Meeting
 - B. Permits & Waterways Committee
 - a. Letters of No Objection
 - i. Texas Eastern Transmission, LP
 - C. Construction and Development Committee
 - a. Review architectural proposals and authorize Director Falgout to select an Architectural Firm to design and construct the new Port Administration building
 - D. Finance Committee
 - a. Consider payment of invoices and recognize Expenditures over \$10,000
 - b. Consider November 2001 Financial Statement for approval
 - c. Consider salary increases for Unclassified employees
 - d. Approve the 2002 Budget
- VII. Public Comment
- VIII. Any other business
- IX. Adjournment

OFFICIAL PROCEEDINGS OF THE GREATER LAFOURCHE PORT COMMISSION
December 12, 2001

The Board of Commissioners of the Greater Lafourche Port Commission met in regular session on Wednesday, December 12, 2001 at 10:30 AM.

President Melancon called the meeting to order, and Secretary Collins called the roll.

PRESENT: Johnny Melancon, Donald Vizier, Wilbert Collins, Larry Griffin, Ervin Bruce, Harry Cheramie, Chuckie Cheramie, Beau Martin, and Jimmy Lafont

ABSENT: None

Upon motion by Larry Griffin and second by Ervin Bruce, the minutes of the November 14, 2001, regular meeting were unanimously approved.

Upon motion by Donald Vizier and second by Wilbert Collins, the minutes of the November 28, 2001, special meeting were unanimously approved.

Upon motion by Harry Cheramie and second by Chuckie Cheramie, the minutes of the December 5, 2001, special meeting were unanimously approved.

Executive Director's Report

Northern Expansion – Project Engineer John Plaisance reported that the contractor is still ahead of schedule and is expected to finish driving steel sheets by mid-January on the West Bulkhead job. He also said that bids for the East Bulkhead construction will be received on January 11th, and the West Dredging project will be advertised upon DOTD's approval of the Plans and Specs. Project Engineer Larry Picciola reported that the bids for the Bucket dredging of Slip B will be received at 9:30AM on January 8th. Director Falgout reported that both the Corps and DNR permits have been received for the Northern Expansion, allowing for the construction of two 700' wide slips and the Maritime Forest Ridge.

Highway Improvements – Director Falgout asked Roy Francis, Executive Director of the LA 1 Coalition, to update the Commission on the status of highway improvements. Francis reported that LA 1 was listed as a high priority corridor by Congress, thereby making the proposed 4-lane, elevated highway project one of 44 distinguished infrastructure projects in the United States. He believes that this distinction should open up some doors for funding acquisition for this project when the next Transportation Bill comes up in 2003-04. Francis also reported that the Secretary of Commerce has approved the state's plan for Coastal Impact Assistance, which allocates \$1.7 million for the design of the Leeville Bridge. He further stated that the Draft copy of the EIS is out, and a public hearing is scheduled for December 18, 2001 at the Larose Civic Center. Francis added that the Coalition now has a web page at la1coalition.org. Director Falgout reported that he, Francis, and Representative Loulan Pitre testified at the Minerals Management Service hearing for the next five-year offshore leasing program. During the testimony, it was stressed that MMS recognize the impacts inflicted upon the

highway system and infrastructure of this area as a result of the exploration and mining of oil and gas and offer some federal impact assistance in this area. Director Falgout also reported that they were invited for a private meeting with the regional director of MMS to discuss strategies for obtaining funding for this crucial infrastructure project.

Director Falgout reported that he has met with more major oil and gas companies and their federal lobbyists to develop a strategy by which the Washington interests of petroleum companies will collectively seek remediation of this deteriorated highway (LA 1). Representative Pitre added that he and Francis had spoken at the Offshore Operators Committee Meeting last month and were invited for a private meeting with the Committee's legislative committee to discuss and develop further support in Washington for this project by leveraging the Committee's contacts and influences in Washington.

Airport – Attorney Pitre reported that the Greater Lafourche Port Commission is now the Sponsor of the Airport. All of the relevant agreements with the FAA and Burlington have been executed. A purchase agreement has been signed for the purchase of the additional 1,500 acres of the Golden Meadow Farm, and the title review is approximately 95% complete. The transaction may be closed by the end of the month. Director Falgout reported that the administration continues to learn more about the regulations associated with running an airport, and there are substantial improvements budgeted for next year. It is anticipated that the Access road will be paved early next year, fueling operations will be set-up, and a 24-hour presence will be established.

COMMITTEE REPORTS

Executive – Chairman John Melancon reported that the committee met on November 28, 2001, at the Operations Center in Port Fourchon. Present at this meeting were John Melancon, Sr., Larry Griffin, Donald Vizier, and Wilbert Collins, Sr, and no member was absent. The committee also met on December 10, 2001. Present at this meeting were John Melancon, Sr., Donald Vizier, Larry Griffin, and Wilbert Collins, Sr., and no member was absent. The Commission then discussed items that were discussed at the Committee meetings.

Upon motion by Ervin Bruce and second by Larry Griffin, the board unanimously approved the revised Civil Service Pay Plan for revisions made to Rule 6.5g.

Upon motion by Chuckie Cheramie and second by Larry Griffin, the board unanimously approved the revised Civil Service Optional Pay Adjustments policy for revisions made to Rule 6.16.2.

Upon motion by Beau Martin and second by Donald Vizier, the board unanimously approved the revised Rewards and Recognition Program for revisions made in accordance with Civil Service Policy changes.

Upon motion by Larry Griffin and second by Wilbert Collins, the board unanimously approved the Budget Policy.

Upon motion by Chuckie Cheramie and second by Harry Cheramie, the board unanimously approved the revised Harbor Police Standards of Conduct. Commissioner Martin requested that Rules of the Road and Marine Safety be added to these Standards. Director Falgout reported that adequate training requirements will be added.

President Melancon presented for Board discussion the need to authorize Director Falgout to solicit for proposals for use of the East Golden Meadow Project property. Director Falgout reported that the property around the airport, soon to be owned by the

Commission, will be advertised for short-term leases. The Board will have the opportunity to review the solicitation of the proposals prior to publication and also to review proposals prior to awarding a lease. Upon motion by Larry Griffin and second by Ervin Bruce, the board unanimously authorized Director Falgout to solicit for proposals on the East Golden Meadow Project property.

President Melancon presented for the board's discussion the need to cancel or reschedule the December 26, 2001, committee meeting because of its proximity to Christmas. Upon motion by Larry Griffin and second by Wilbert Collins, the board unanimously agreed to cancel the December 26th committee meeting. Commissioner Martin mentioned that he would like to see the Commission schedule a conference for some long-term planning for the Port and Airport. He said that he feels like the Committee meetings are usually spent focusing on the day-to-day operations, and he would like to do some long-term strategic planning, perhaps even over the course of several days. President Melancon said that this suggestion would be taken into consideration.

Permits & Waterways – Chairman Jimmy Lafont reported that the committee met on November 28, 2001, at the Operations Center in Fourchon. Present at this meeting were Jimmy Lafont and Wilbert Collins, Sr., and Beau Martin was absent. The committee also met on December 10, 2001 at the Administration Building in Galliano. Present at this meeting was Jimmy Lafont, Wilbert Collins, Sr., and Beau Martin, and no member was absent. The Commission then discussed items that were discussed at the Committee meeting.

Chairman Lafont presented for the board's consideration a request for a letter of no objection from Texas Eastern Transmission, LP. Upon motion by Jimmy Lafont and second by Wilbert Collins, the board unanimously approved issuing a letter of no objection to Texas Eastern Transmission.

Construction & Development - Chairman Ervin Bruce reported that the committee met on November 28, 2001, at the Operations Center in Port Fourchon. Present at this meeting were Ervin Bruce and Donald Vizier, and Chuckie Cheramie was absent. The Committee also met on December 10, 2001, at the Administration Building in Galliano. Present at this meeting were Ervin Bruce, Donald Vizier, and Chuckie Cheramie, and no member was absent. The Commission then discussed items that were discussed at the Committee meetings.

Chairman Bruce presented for the board's consideration the need to authorize Director Falgout to select an Architectural Firm to design and construct the new Port Administration building. Director Falgout reported that two firms had responded to the Commission's request for a conceptual drawing for the Administration building. Chairman Bruce made a motion, which was seconded by Larry Griffin, that Director Falgout be authorized to select a Firm to design and construct the new building. Commissioner Chuckie Cheramie requested that the Construction and Development committee be allowed to review the architect's submittals of design drawings. Director Falgout added that this process will be quite lengthy and will fully involve the Commission. Commissioner Vizier asked Director Falgout if he had selected an architect, and Director Falgout replied that he would select the firm of Cheramie and Whitney after reviewing submittals and judging from past projects. Commissioner Vizier stated that he could not vote for this motion judging from Cheramie's performance on

past projects. Commissioner Martin added that he does not currently see the need for this project. He said that he has not seen justification for spending this amount of money to redo the building for what we have going on in the port right now and stated that he will not support this motion because he does not believe in the project at this time. President Melancon called for a vote, and the motion carried 6-3.

Finance – Chairman Larry Griffin reported that the committee met on November 28, 2001, at the Operations Center in Port Fourchon. Present at this meeting were Larry Griffin, Harry Cheramie, and Donald Vizier, and no member was absent. The committee also met on December 10, 2001, at the Administration Building in Galliano. Present at this meeting were Larry Griffin, Harry Cheramie and Donald Vizier, and no member was absent. The Commission then discussed items that were discussed at the Committee meetings.

Chairman Griffin presented for the board's approval the invoices for the month and recognized the expenditures in excess of \$10,000. Upon motion by Chairman Griffin and second by Wilbert Collins, the board unanimously approved the invoices for the month.

Chairman Griffin presented for the board's approval the Financial Statement for November 2001. Upon motion by Chairman Griffin and second by Ervin Bruce, the board unanimously approved the November 2001 financial statement.

Chairman Griffin presented for the board's consideration the need to consider salary increases for unclassified employees. Director Falgout explained that he, Davie Breaux, and Frank Terrebonne are the three unclassified employees. He explained that Civil Service sets the range of increase for all classified employees at a maximum of 4%, provided the employee obtains a Satisfactory rating on the annual performance review. He also explained that unclassified employees' salary increases are determined wholly by the Commission. Director Falgout added that as part of his contract with the Commission, he is required to give an overview of the accomplishments of the Commission over the last year. He went on to report that in 2001, \$5 million was spent on Port Improvements from Port Priority funds and \$5 million more was allocated to be spent next year. An additional \$9.8 million was applied for from the Port Priority program for the second leg of the Northern Expansion development. Over \$1 million of grant funding from EDA was spent in 2001, and the remaining \$500,000 will be spent next year to complete the first phase of the Northern Expansion. In addition to the funds spent on the Northern Expansion, the Commission has spent over \$200,000 from capital outlay for the bayou embankment work, with another \$300,000 committed to be spent in 2002 on additional embankment improvements. He also added that \$100,000 has been committed from the Department of Natural Resources for the Maritime Forest Ridge, along with \$75,000 from the National Oceanic and Atmospheric Administration. The Department of Wildlife and Fisheries has agreed to fund a portion of the Clovelly Road improvements with a contribution of \$150,000, and the Federal Aviation Administration has committed \$300,000 toward improvements at the South Lafourche Airport.

Director Falgout further reported that some of the things the Commission has worked on this year include the construction of another phase of the Northern Expansion project, the conception and initiation of the Maritime Forest project, the construction of bayouside improvements, the acquisition of the South Lafourche Airport, the acquisition of the East Golden Meadow project, and the acquisition of the Jet Cinema property. He

reported that Cooperative Endeavor Agreements have been executed with a number of agencies – the Corps of Engineers to initiate the Millennium port study for a 50-ft. channel to Fourchon; the Millennium Port Authority and the Port of New Orleans to agree to cooperate in the development of a Millennium Port in the state; the Lafourche Parish Council for the Clovelly boat launch and Airport road projects.

He reported that numerous leases were executed this year, and significant gains were made in the quest for funding of highway infrastructure improvements. He culminated this report by saying that the significant accomplishments of the entire staff and effort of all of the Commissioners contributed to 2001's numerous successes.

Following Director Falgout's Annual Report, President Melancon moved that Chief Terrebonne and Assistant Director Breaux be granted a 0-8% increase at the discretion of Director Falgout, based upon a performance review rating performed by Director Falgout and that Director Falgout receive a 0-4% increase, based upon a performance review rating performed by the Commission President. This motion was seconded by Larry Griffin, and discussion followed. Commissioner Vizier asked when the reports would be ready, and President Melancon reported that Chief Terrebonne's and Mr. Breaux's were complete, and Director Falgout's still needed to be done. Director Falgout reported that if this motion passes, he would immediately grant a 4% increase for both Davie and Frank, and upon another performance review in 6 months, he would determine if an additional 1-4% increase would be warranted based upon their continued performance. Commissioner Chuckie Cheramie said that he believes the entire board should decide the salary increases for all unclassified personnel. Commissioner Chuckie Cheramie moved to amend the motion of President Melancon to state that the entire Commission will determine the salary increases of all unclassified employees. This amendment was seconded by Commissioner Vizier, and President Melancon called for a roll call vote. The amendment carried by a 6-3 vote.

Chairman Griffin presented to the board for their approval the 2002 budget. He reported that the total budget for 2002 is \$27,205,000. This figure includes \$15,525,000 for capital improvements, \$7,457,250 of which is from outside funding sources and \$8,067,750 of which is funded by the Port. The total revenue for 2002, including ad valorem taxes, is \$10,802,500, and total non-capital improvement expenditures is \$10,118,000. Upon motion by Larry Griffin and second by Jimmy Lafont, the 2002 budget was unanimously approved.

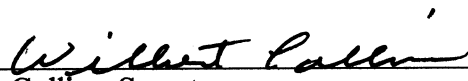
President Melancon called for Public Comment. Mr. Doug Cheramie asked for a Millennium Port update, and Director Falgout reported that the House and Senate Special Committees on the Millennium port have recently met. He also reported that on January 16th, PAL and UNO will host a Millennium Port Symposium in Baton Rouge.

President Melancon recognized Sheriff Webre, who said that he enjoys the professional relationship that the Sheriff's Office has with the Commission and the Administration. He said that it's nice to see the Commission as an economic catalyst for the parish, and he offered his assistance in the Commission's endeavors.

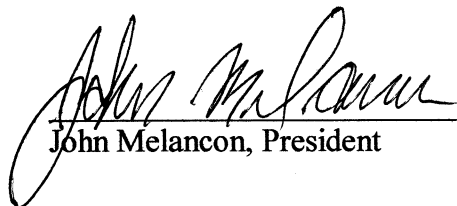
President Melancon recognized Mr. Windell Curole, Director of the South Lafourche Levee District, who thanked the Commission for its participation in reestablishing the boat parade for a Bayou Christmas.

Upon motion by Larry Griffin and second by Wilbert Collins, the board unanimously agreed to adjourn.

ATTEST:



Wilbert Collins, Secretary



John Melancon, President