

AGENDA
JUNE 12, 2002

- I. Call to Order
- II. Pledge of Allegiance
- III. Roll Call
- IV. Consider May 8, 2002 Regular Meeting Minutes for approval
- V. Executive Director's Report
 - A. Northern Expansion Update
 - a. Construction status:
 - i. West Bulkhead – John Plaisance
 - ii. East Bulkhead – John Plaisance
 - iii. Hydraulic Dredging – John Plaisance
 - iv. Bucket Dredging – Larry Picciola
 - B. Highway Improvements
 - C. Millennium Port Update
 - D. Corps of Engineers' Lawsuit
 - E. Airport Update
 - a. Construction status:
 - i. Airport Road – Joe Picciola
 - ii. Master Plan
 - F. Clovelly Road
 - a. Construction status:
 - i. Road improvements – Joe Picciola
 - G. Jet Cinema Renovation
 - a. Construction status - Edmond Cheramie
 - H. Gulf Guardian Award
- VI. Committee Reports
 - A. **Executive Committee**
 - a. Executive Director's Travel Allowance
 - b. Consider request from Fremin Products
 - c. DOTD participation in Airport Master Plan
 - B. **Permits & Waterways Committee**
 - a. Consider adopting Ordinance No. 68
 - b. Letters of No Objection
 - i. Chevron USA, Inc.
 - ii. Environmental Treatment Team
 - iii. John V. Price
 - iv. Dave Bourgeois
 - v. Equilon Pipeline
 - vi. South Lafourche Levee District
 - C. **Construction and Development Committee**
 - a. Consider request from ERA Aviation for 3.220 acres adjacent to expansion site
 - b. Martin Lot 15 Repairs to Bulkhead
 - c. Consider approving soil borings for Jet Cinema
 - d. Roadside beautification project
 - D. **Finance Committee**
 - a. Consider payment of invoices and recognize Expenditures over \$10,000
 - b. Consider approving May 2002 Financial Statement
 - c. Consider accepting bids from sale of excess equipment
- VII. Public Comment
- VIII. Any other business
- IX. Adjournment

OFFICIAL PROCEEDINGS OF THE GREATER LAFOURCHE PORT COMMISSION
June 12, 2002

The Board of Commissioners of the Greater Lafourche Port Commission met in regular session on Wednesday, June 12, 2002 at 10:30 AM.

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

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

ABSENT: None

Upon motion by Wilbert Collins and second by Donald Vizier, the minutes of the May 8, 2002, regular meeting were unanimously approved.

President Melancon veered from the Agenda to introduce Kirk Landry, the newly hired Harbor Police Officer. Chief Terrebonne reported that Officer Landry has been trained for the past three weeks and will soon be released to duty on his own.

Executive Director's Report

Northern Expansion – Engineer John Plaisance reported that the West Bulkhead project is in the lien period. There had been a lien filed on the job by a subcontractor, but it's been taken care of, so Continental Construction will request payment of the retainage next month. The East Bulkhead project is proceeding well. Lowland Construction has completed driving timber piles along the Flotation Canal and is now proceeding down the slip. They should begin driving steel sheets before the end of the month. Mike Hooks, the contractor for the Hydraulic Dredging project, has completed filling Area 1, behind Continental's bulkhead, and is proceeding to the Mitigation Area. Director Falgout asked Assistant Director Breaux to report on the small Hydraulic Dredging project that LOOP was completing near its station at Pointe Fourchon. Mr. Breaux reported that it is completed, and Project Engineer Larry Picciola reported that approximately 50-60,000 yards of material were removed and placed near the Christmas Tree Project, but the material is not stacking well. The Bucket Dredge project on Slip B is progressing well. Berry Bros. Contractors has completed the first two passes and is beginning the third pass this week.

Highway Improvements – Director Falgout reported that the ongoing effort to improve highway infrastructure to the port is gaining ground daily. We are getting much exposure on public radio and TV. During Director Falgout's last trip to Washington, he met with the Assistant Director of the Energy Department, who realizes the significance of Fourchon and had ordered research that actually validated the figures we had been using to project the adverse effects of shutting down Fourchon. The Senate has named its members to the Conference Committee, and the House should name its members next week. The Energy policy debate should heat up again this fall. Commissioner Martin produced, for the Commission's information, a copy of a report by MMS entitled "Deepwater Gulf of Mexico 2002: America's Expanding Frontier," which verifies that Fourchon is a hub for deepwater activity and will remain such for years to come.

Millennium Port – Director Falgout reported that the Feasibility Study of the 50-foot channel, being conducted by the Corps of Engineers, should be finalized within the next 30-45 days.

Corps of Engineers' Lawsuit – Director Falgout reported that the lawsuit filed by LEAN and GCMA against the USACE has been settled. We have reviewed the settlement order from the judge and are comfortable with it. In our opinion, this settlement does not give the plaintiffs anything that they originally asked for. They wanted to stop port development and reject all permits, costing us huge sums of money in mitigation, but none of that was granted. The settlement said that the Corps will reassess the impacts of Port Fourchon's development, and if there are additional impacts that have not been recognized or mitigated, then a corrective action plan will be developed. Director Falgout strongly believes that the total impact of the Port is much less than the environmental good that the Commission has done throughout the Port's development. Director Falgout reported that the editorial that was published in the *Houma Courier* last week on this subject was not accurate and warranted a response by him on behalf of the Commission. Upon motion by Jimmy Lafont and second by Wilbert Collins, the Board unanimously voted to submit Director Falgout's rebuttal for publication.

Airport – Engineer Joe Picciola reported that the paving is complete on the whole length of Airport road, and the contractor still has some items on the punch list to complete. There are some cracks that are developing on the road near the water tower that will be repaired as soon as the contractor completes the items on the punch list. Once the road is repaired, the contractor will begin striping. There is a one-year warranty on the work performed under this contract.

Clovelly Road – Director Falgout reported that we have received positive comments on the progress made repairing Clovelly Road. Project Engineer Joe Picciola reported that the drainage is working well on the 1st section of the road that has been completed. After a good rain, we will determine where more stone may be needed and evaluate the performance of the drainage.

Jet Cinema Renovation – Architect Edmond Cheramie reported that the construction and bid documents are being completed. July 8th will be the first advertisement for bid, and bids will be opened on August 8th. The bids will be presented at the August 12th committee meeting and should be accepted on August 14th. There will be a pre-bid conference in mid-July, after the site demolition is completed. The budget number is holding as previously submitted. The soil borings being requested to determine the foundation issues that may exist will come out of the Contingency in the budget at an estimated cost of \$4,100. A boring will be taken where the new building will be placed and at the back of the existing building.

Gulf Guardian Award – Director Falgout reported that in strict contrast to the claims alleged in the lawsuit of the Port being a poor environmental steward, we have been awarded the Gulf Guardian Award by the Environmental Protection Agency for the work done in our Highway Embankment Stabilization project. As we speak, Americorps volunteers are planting 17,000 pots of plants along the water's edge to stabilize the newly extended embankment.

COMMITTEE REPORTS

Executive – Chairman John Melancon reported that the committee met on May 22, 2002, at the Operations Center in Fourchon and on June 10, 2002, at the Administration Building in Galliano. Present at these meetings was John Melancon, Larry Griffin, Wilbert Collins, and Donald Vizier, and no member was absent. The Commission then discussed items that were discussed at the Committee meetings.

President Melancon presented for the board's consideration amending the Director's Contract to include a Travel allowance. Upon motion by Donald Vizier and second by Ervin Bruce, the board agreed to amend the director's contract to provide for a car allowance in the amount of \$800.00 per month, with a vote of 7 yeas and 2 nays. Commissioner Martin said it currently costs approximately \$600.00 per month to provide a car and pay for the insurance, gas, and maintenance for the Director's use. He said that he believes it is more fiscally responsible to continue to provide a car and insurance for the Director than to give an approximately \$200.00 per month raise with this travel allowance. Commissioner Collins questioned whether the Director would be completely responsible for all costs associated with operating his vehicle, including gas, maintenance, and insurance, and it was affirmed that he would. Commissioner Chuckie Cheramie questioned what would happen if the Director gets into an accident while on Port business, and it was confirmed that his insurance would cover himself, any passengers, and any property damaged in the accident. President Melancon added that the Commission is always liable for all of its employees and commissioners when on Port business and that this risk is covered in its General Liability policy. Commissioner Vizier questioned how much insurance Director Falgout would personally carry on this vehicle, and it was determined that he should secure coverage with limits of 100/300/100 or higher.

President Melancon presented for the board's consideration a request from Fremin Products to moor recreational vessels along its leased waterfront in the Flotation Canal. Director Falgout explained that when a lease is composed, the company is given specific rights, which they request, and they are required to submit in writing a request for any additional rights they may desire. Fremin is complying with this provision of the lease and is requesting permission to dock recreational vessels along its leased waterfront. Upon motion by Larry Griffin and second by Wilbert Collins, the board unanimously approved Fremin's request.

Director Falgout then reported that we have received confirmation from the State DOTD Division of Aviation that they will participate in funding the 10% share not covered by the FAA for the Airport Master Plan. To obtain this funding from the state, it is required that the Commission adopt a resolution requesting this funding from DOTD. Upon motion by Larry Griffin and second by Ervin Bruce, the board unanimously adopted a resolution requesting 10% match from DOTD Aviation to complete the total funding of the Airport Master Plan.

Permits & Waterways – Chairman Jimmy Lafont reported that the committee met on May 22, 2002, at the Operations Center in Fourchon and on June 10, 2002, at the administration building in Galliano. Present at these meetings were Jimmy Lafont, Wilbert Collins, and Beau Martin, and no member was absent. The Commission then discussed items that were discussed at the Committee meetings.

Chairman Lafont presented for the board's consideration the adoption of Ordinance No. 68, which establishes the areas in which trawling is prohibited in Port Fourchon. Director Falgout reported that Ordinance No. 55, which restricted fishing in Pass Fourchon, was outdated and did not include the area of Bayou Lafourche, which was adopted by resolution. In order to establish a boundary in the vicinity of the Pass Fourchon, Bayou Lafourche, and Belle Pass intersection, it was thought that the Tennessee Gas Pipeline Canal would provide a visual marker of the line beyond which trawling could not occur. Chairman Lafont felt that relocating the boundary line to the Tennessee Gas Pipeline canal was unfair and that the additional area should not be taken away from the shrimpers. Thus, Ordinance No. 68 as proposed should adjust the southern boundary to indicate the current line honored by fishermen. The following ordinance

was presented by Jimmy Lafont, who moved for its adoption, and was seconded by Johnny Melancon:

ORDINANCE NO. 68

AN ORDINANCE MAKING IT UNLAWFUL TO FISH WITH NETS OR TRAPS IN FRONT OF ANY DEVELOPED PORT PROPERTY IN FOURCHON, BEGINNING WHERE PASS FOURCHON TRANSECTS BELLE PASS AND CONTINUING NORTHWARD TO INCLUDE THE ENTIRE AREA OF PORT FOURCHON, TERMINATING AT THE NORTHERN BANK OF THE FLOTATION CANAL; PENALTIES FOR VIOLATION OF SAID ORDINANCE ARE PROVIDED FOR HEREIN

BE IT ORDAINED, by the Board of Commissioners of the Greater Lafourche Port Commission that:

SECTION 1. It is hereby declared unlawful for any person to fish, shrimp, crab or cause to be taken any other species of fish or shellfish by use of butterfly nets, trawls, skimmers, or any other type of net or trap that may hinder navigation in the vicinity of any developed Port Property in Fourchon, beginning where Pass Fourchon transects Belle Pass and continuing Northward to include the entire area of Port Fourchon, terminating at the northern bank of the Flotation Canal. For the purposes of this ordinance, developed port property shall mean stabilized embankments with adjacent industrial activity present. Said ordinance shall include all of the waters from the stabilized bank of the industrial facility to the opposite bank. At the junction of Belle Pass and Pass Fourchon, the Ordinance shall extend Southerly to the intersection of the centerlines of Pass Fourchon and Belle Pass.

SECTION 2. Any person violating any provision of this ordinance shall, upon conviction, be fined not more than Five Hundred Dollars (\$500.00) or imprisoned for not more than six (6) months in jail, or both, in the discretion of the court having jurisdiction.

This ordinance, having been submitted in writing, having been read and adopted by sections at a public meeting of said Commission, was then submitted to an official vote as a whole; the vote thereon being as follows:

YEAS: 6

NAYS: 3

ABSENT: 0

And the ordinance was declared adopted on this 12th day of June 2002.

Chairman Lafont presented for the board's consideration requests for letters of no objection from Chevron USA, Inc., Environmental Treatment Team, John V. Price, Dave Bourgeois, Equilon Pipeline, and South Lafourche Levee District. Upon motion by Jimmy Lafont and second by Harry Cheramie, the board unanimously approved issuing letters of no objection to those who requested one.

Chairman Lafont recognized Chief Ryan with the USCG out of Dulac, Aids to Navigation section. He understands that nighttime navigation using the Fourchon Range lights is difficult because of the background lighting. He currently is working on arranging for a night ride into Fourchon to assess the problem. He doesn't think that a taller tower is the answer because that would affect the smaller boats. You could require some lighting control in the Port, but he doesn't feel like that is the answer in light of the security concerns that have arisen. He believes that perhaps adjusting the strength of the lights will solve this problem. It was brought up that some vessels display their navigation lights while they are moored, and Chief Ryan indicated that that should not occur.

Construction & Development - Chairman Ervin Bruce reported that the committee met on May 22, 2002, at the Operations Center in Fourchon. Present at this meeting was Donald Vizier and Chuckie Cheramie, and Ervin Bruce was absent. The committee also met on June 10, 2002, at the Administration Building in Galliano. Present at this meeting were Donald Vizier, Chuckie Cheramie, and Ervin Bruce, 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 a request from Era Aviation to add 3.220 acres of property located adjacent to the northern boundary of their lease property along the north side of N.J. Theriot Road. Director Falgout reported that Era desires to lease this additional property to insure that no development will be made on that property that would impede the safety of their aviation operations. Upon motion by Ervin Bruce and second by Wilbert Collins, the board unanimously approved adding 3.220 acres to Era Aviation's Northern Expansion lease, subject to a 30' construction right of way to be placed along the property, and authorized President Melancon to execute the amendment.

Chairman Bruce presented for the board's discussion the repairs to bulkhead at Martin, Lot 15. Director Falgout reported that we had requested that Engineer Larry Picciola do some strength calculations on the submittal. Mr. Picciola reported that there are some errors in the calculations but that they can be quickly corrected. He recommended that if the strength is in fact as good as or better than what the Commission originally constructed, then we should send a letter that says we agree that the strength is acceptable and we allow repairs to proceed but that we do not necessarily agree with the proposed method of repair. Upon motion by Jimmy Lafont and second by Larry Griffin, the board unanimously approved issuing a letter to Martin Terminal regarding the sheet strengths and proceeding with repairs, but the letter will be written by Attorney Pitre so as to insure that the Commission takes on no liability for the process under which the repairs will be made or the resulting condition of the leased premises upon completion of repairs. Commissioner Chuckie Cheramie abstained from voting on this issue.

Chairman Bruce presented for the board's consideration the request from Architect Edmond Cheramie to conduct soil borings at the Jet Cinema to be funded through the Contingency money in the construction budget. Upon motion by Wilbert Collins and second by Chuckie Cheramie, the board unanimously approved conducting two soil borings to assess the foundation of the Jet Cinema.

Chairman Bruce presented for discussion the proposed Roadside beautification project. Director Falgout reported that President Melancon mentioned to him that he would like to see visual improvements made to the roadside along LA 3090. We have received proposals from local landscaping companies to place clusters of palm trees with ground vegetation surrounding them at several locations along A.O. Rappelet Road. La Bonne Terre's proposal is in the amount of \$9,000, and the proposal from Mitch's Landscaping is for \$13,000. Director Falgout reported that unless there is some objection to completing this beautification project, we will proceed to construct this project with the contractor who submitted the low quote.

Commissioner Martin mentioned that we have not voted on the E & L Land Swap that was discussed at the last committee meeting. Upon motion by Chuckie Cheramie and second by Beau Martin, the Commission unanimously amended the agenda to add the E & L Land Swap. Director Falgout proceeded to explain that E & L had expressed an interest in acquiring the Commission property immediately south of Airport road, adjacent to their property, by either lease or purchase. Because this property has no commercial value, it was thought that the land could be swapped for equal property at another location. The Commission's property is comprised of approximately .5 acres of land, and E & L offered to swap .5 acres of their land near the drainage canal along Airport Road. Upon motion by Beau Martin and second by Wilbert Collins, the board unanimously approved swapping land with E & L, square foot for square foot, and authorized President Melancon to execute any and all documents necessary to effectuate the purposes of this transaction.

Finance – Chairman Larry Griffin reported that the committee met on May 22, 2002, at the Operations Center in Fourchon and on June 10, 2002 at the Administration Building in Galliano. Present at these meetings 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 May 2002. Upon motion by Chairman Griffin and second by Ervin Bruce, the board unanimously approved the May 2002 Financial Statement.

Chairman Griffin also presented the results of the excess equipment sale. He recommended that all high bids be accepted except for the bid for the 1976 26' aluminum hull, which was believed to be well below actual value. Upon motion by Larry Griffin and second by Harry Cheramie, the board unanimously approved selling the equipment at the high bids received, excluding the 26' aluminum hull.

President Melancon then called for public comment. Mr. Cheramie asked Director Falgout who would keep up the palm trees once they are planted along LA 3090. Director Falgout reported that the contractor who plants the trees will be required to provide some warranty as to their survival, and the port will water them as we currently do with our vegetation at the Operations Center. Mr. Cheramie questioned who would keep up the highway embankment work. Director Falgout reported that it is the landowners' responsibility to maintain the additional embankment created. The marsh grass planted needs no maintenance and will only grow to several feet high.

President Melancon then recognized Mr. Roy Gisclair who said that there are \$2 million in settlement funds from the suit for damages by the Lafourche Basin Levee District against

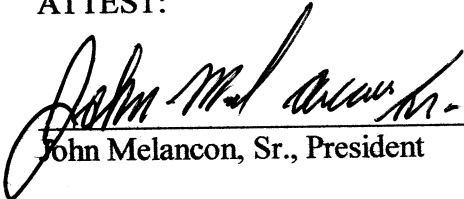
Texaco that must be spent in the 10th ward. It is thought that \$100,000 could potentially be spent on improving the Clovelly Boat Launch. The settlement will have to be reviewed, and the expenditure of funds will have to be approved. Director Falgout added that this would be a tremendous contribution and would greatly aid the efforts to bring Clovelly Boat Launch up to par.

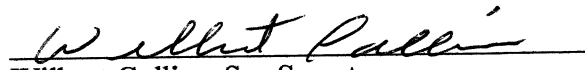
Commissioner Martin questioned whether the Coast Guard lease has been executed for office space. Director Falgout reported that we have leased to Coast Guard the same space they have been occupying for \$200.00 per month. He also questioned whether Customs has begun to pay for their office space. Director Falgout said that we have issued a letter requesting payment consistent with the rate assessed Coast Guard, and we have not yet heard anything from them, but their budget cycle begins October 1st.

Commissioner Martin also presented information he obtained on a vessel that may satisfy our port security needs.

President Melancon then called for any new business. There being none, upon motion by Larry Griffin and second by Ervin Bruce, the board unanimously approved adjourning the meeting.

ATTEST:


John Melancon, Sr., President


Wilbert Collins, Sr., Secretary