

AGENDA  
May 11, 2005

- I. Call to Order
- II. Pledge of Allegiance
- III. Roll Call
- IV. Consider April 13, 2005 Regular Meeting Minutes for approval
- V. Consider April 27, 2005 Special Meeting Minutes for approval
- VI. Executive Director's Report
  - A. **Northern Expansion Update**
    - a. **Construction status:**
      - i. Slip B, West Bulkhead, Project #1 – Joe Picciola
      - ii. Slip B, West Bulkhead, Project #2 – Larry Picciola
      - iii. Maritime Forest Ridge – Larry Picciola
      - iv. Mooring Dolphins – Larry Piccola
      - v. Slip A, Rowan Bulkhead Repair – John Plaisance
  - B. **Airport Update**
    - a. Project status
  - C. **Port Security**
    - a. Security Camera System
  - D. **FEMA Updates**
    - a. Wave Protection
    - b. Debris Fence along LA 3090
    - c. Boat Launch
  - E. **Highway Improvements**
- VII. Committee Reports
  - A. **Executive Committee**
    - 1. Consider approving Cooperative Endeavor agreement with South Lafourche Levee District
    - 2. Consider accepting summer applicants
    - 3. Consider amending the Employee Grievance Policy
    - 4. Consider advertising for bids for the old pontoon excavator
  - B. **Permits & Waterways Committee**
    - a. Public Notices:
      - i. James A. Whitson, Jr.
      - ii. Browning Oil Company
      - iii. Brent Duct
      - iv. Picciola & Associates, Inc.
      - v. Coastal Caverns, LA LLC
  - C. **Construction and Development Committee**
    - a. Consider approving substantial completion for the Rowan bulkhead repair
    - b. Consider approving low bid for the southwest bulkhead repair on Slip A
    - c. Consider approving substantial completion for the AWOS project at the Airport
    - d. Consider approving substantial completion for the Pontoon Excavator
  - D. **Finance Committee**
    - a. Consider payment of invoices and recognize Expenditures over \$10,000
    - b. Consider approval of the 2004 Audited Financial Statements
- VIII. Any other business
- IX. Public Comment
- X. Possible Executive Session
  - A. Discuss pending litigation defined as "*Rowan Companies, Inc. et al v. The Greater Lafourche Port Commission, et al, Civil Action No. 05-0030 – Sec. K – Magistrate 2*"
- XI. Public Comment
- XII. Adjournment

Attachment

- The pending litigation defined more specifically as "*Rowan Companies, Inc. and Rowan Marine Services, Inc. v. The Greater Lafourche Port Commission; J. Wayne Plaisance, Inc.; Continental Construction Company, Inc.; Eustis Engineering Co., Inc.; Vulcan Construction Materials, LP; Vulcan Materials Company; and Core Industries, Inc., Civil Action No. 05-0030 – Sec. K – Magistrate 2*" may be discussed in an executive session.

OFFICIAL PROCEEDINGS OF THE GREATER LAFOURCHE PORT COMMISSION  
May 11, 2005

The Board of Commissioners of the Greater Lafourche Port Commission met in regular session on Wednesday, May 11, 2005 at 10:30 AM.

President Vizier called the meeting to order, and Secretary Cheramie called the roll.

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

ABSENT: None

Upon motion by Larry Griffin and second by Beau Martin, the board unanimously approved the regular meeting minutes of April 13, 2005.

Upon motion by John Melancon and second by Wilbert Collins, the board unanimously approved the special meeting minutes of April 27, 2005.

**Executive Director's Report**

Northern Expansion - Engineer Joe Picciola reported that the contractor is on site and expected to receive piles later this week for Slip B, West Bulkhead, Project #1. He reported that he met with Delmar for the site improvements for drainage and plans for their facility. Engineer Larry Picciola reported that the bids will be opened on May 19<sup>th</sup> at 2:00 pm at the Galliano office for Slip B, West Bulkhead, Project #2. Engineer Larry Picciola reported that the contractor did their final inspection for the Maritime Forest Ridge and should be finished in a week. He stated that the environmentalist want a rough finish to create ponds and tidal creeks which will be done with the port's excavator. He stated that the Commissioners can inspect the ridge during a high tide. Engineer Larry Picciola reported that bids will be opened on May 19<sup>th</sup> at 2:30 pm at the Galliano office for the Mooring Dolphin project. Engineer John Plaisance reported that Barriere has completed the work on Slip A, Rowan Bulkhead Repair. He reported that bids for the Southwest Bulkhead Repair were opened last week and Circle, Inc. was the low bidder in the amount of \$287,769.00 and is ready to be awarded.

Airport Update - Airport Manager, Jeff Hunter reported that the AWOS project is complete. The tree clearing of 50 acres for the proposed Rotorcraft site should be finished this week. He stated that we should receive the poles in three weeks to begin the Non-Directional Beacon site in Golden Meadow. Mr. Hunter stated that there was an increase of fuel sales last month at the Airport on account of the Houma Airport being under construction. The construction in Houma is complete and back in operation. Ms. Callais reported that the South Lafourche Airport runway extension is scheduled to bid in August, which the FAA is already committed to \$1.2 million. She stated that the DBE goal of 49% has been established and published.

Port Security - Ms. Danos reported that the Belle Pass camera will be replaced with a loaner, but in 5 weeks will be replaced by a permanent camera for the Security Camera System. She stated that the replacement will be covered under Interstate Electronics' insurance. The designers of the camera system will be in Port next week to inspect and fix any problems to bring the system to full operation. She reported that there is a change order for approval, which will give Interstate 10 days to complete everything except the tornado damage. Upon motion by Harry Cheramie and second by Wilbert Collins, the board unanimously approved Change Order No. 4 to extend the contract time for the Security Camera System.

FEMA Updates - Mr. Breaux reported that the contracts for the Wave Protection project were signed and will issue a notice to proceed within the next few weeks. He explained that the construction project consists of digging behind the current cement bags to place the broken top bag and overlaying both bags with filter fabric and goby mats to seal the bags. Mr. Breaux reported that 2 miles of post have been installed for the Debris Fence along LA 3090. Commissioner Chuckie Chermie questioned the clean up of debris against the fence after a hurricane. Mr. Breaux replied that the camp owners will clean up along the debris fence and we can apply for FEMA funds to remove any remaining debris. Mr. Breaux reported that Grand Isle Shipyard is on site to begin construction of the Boat Launch project in Golden Meadow.

Highway Improvements - Director Falgout reported that the movie "Oil Storm" airs on June 5<sup>th</sup> on FX Channel 37, which a portion of the movie was filmed at Port Fourchon. He also reported that Congressman Tom Delay is flying over Coastal LA and Port Fourchon on Saturday, May 14<sup>th</sup> in which Mr. Falgout will be briefing him during the flight. Mr. Roy Francis with the LA 1 Coalition reported that they went to New York to give presentations to the rating agencies for financing of the Elevated Highway project. The rating agencies did visit the port area in April. He received approval from the Bond Commission and the Louisiana Transportation Authority to proceed with this project. The State has agreed through DOTD to fund \$15 million toward this project and the operation and maintenance cost. The State also agreed to have a reserve fund up to \$18 million per year for the life of this project. The Federal Government will play a part of the \$50 million of equity that goes toward this project. Mr. Francis reported that he received the formal rating from the rating agencies at the level needed to fund this project. He explained in detail the ratings to the Commission. He stated that the TIFIA loan for \$66 million is the first in the state's history, the 10<sup>th</sup> project in the country, and also the first project that LTA will build. The loan will be signed in two weeks and hope to close with the bonds and agreements on June 8<sup>th</sup> and 9<sup>th</sup>. He also stated that this project made the front page of the Bond Buyers Wall Street publication. Commissioner Harry Chermie questioned the first phase of the project, which Mr. Francis replied that the revenues from the bonds will focus on the elevated 2-lane overpass at Leeville with on and off ramps and the 2-lane elevated highway to LA 3090, which consists of 10 miles of actual construction. Commissioner Griffin questioned when construction will begin and Mr. Francis replied that the letting is at the end of June and expect to award and proceed in August with the contractor on site by December. Commissioner Chuckie Chermie questioned the tolls for the project and Mr. Francis replied that the tollbooth will be one structure with two terminals for cash and one for electronic pay, which commuters will be paying once for both ways. Mr. Francis reported that the old Leeville Bridge will be demolished and the existing highway will become a parish road. Commissioner Martin questioned the completion date and Mr. Francis replied that it is scheduled for 3 years of construction with completion date by August of 2008. President Vizier reported that the overlay of LA 3235 and Highway 24 is ongoing and the overlay of LA 1 from Golden Meadow to Leeville is scheduled for the fall. He also complimented Representative Pitre and Senator Dupre for a good job of getting our roads overlaid. Mr. Francis reported that the Energy bill and the Transportation Appropriation bill are still in play, and the 5-year Transportation bill is expected to pass this year. Further discussion followed regarding the Energy bill passing through the House and Senate with the support of both Congressman Vitter and Senator Landrieu. He stated that Congressman Melancon set \$5 million for demo projects in his district. He reported that the State has a bill to the constitutional amendment for federal dollars to be used for coastal efforts with provisions for coastal infrastructure impacted by coastal land loss. Director Falgout reported on other accomplishments being the Water Resources Development Act to have the Corp assume the maintenance of the remaining portion of the channel in Fourchon. He stated that Congressman Vitter received approval from the Corp for the study of coastal areas for \$2 billion for Louisiana compared to \$325 million from last year. Director Falgout reported on other highway and coastal bills and amendments from Senator Landrieu and Congressman Vitter, which include the comprehensive coastal

evacuation amendment and the FINISH amendment. If these bills are approved, it will be a significant accomplishment for Louisiana.

### **Committee Reports**

Executive Committee – Chairman Donald Vizier reported that the committee met on April 27, 2005 at the Operations Building in Fourchon. Present were Donald Vizier, Jimmy Lafont, and John Melancon. Harry Cheramie was absent. They also met on May 9, 2005 at the Administration Building in Galliano. All members were present. The Commission then discussed items that were discussed at the committee meetings

President Vizier presented for the board's approval the Cooperative Endeavor agreement with the South Lafourche Levee District for funding the installation of the new lock system. Upon motion by John Melancon and second by Wilbert Collins, the board unanimously approved the President to execute the Cooperative Endeavor agreement subject to changes by our general counsel to fund 1/3 of the cost but not to exceed \$2 million. Mr. Ronald Callais, President of the SLLD, stated that the State is committed to \$1.5 million toward the project. He reported that bids will be opened in two weeks for the second phase and the first phase is now under contract.

President Vizier presented for the board's approval the summer applicants. Upon motion by Ervin Bruce and second by Wilbert Collins, the board unanimously approved of Myles Cheramie and Nicholas Collins for leaders; the four chosen applicants are Scott Louviere, Mathew Chiasson, Philip Thomas, and Brody Barrios; and the alternates are Sarah Stiener, Cody Duet, Aaron Griffin, Rusty Guidry, Jervis Herbert, Jeramie Cantrelle, Jules Bruce, Jr., Chance St Pierre, Thomas Bruce, Kevin Terrebonne, and Garrad Herbert.

President Vizier presented for the board's approval to amend the Employee Grievance Policy. Mr. Autin stated that this amendment to the policy manual would be applied retroactively and takes into account a grievance filed at the same time of any legal proceedings. He stated that this amendment would allow the President to suspend the grievance procedure pending the outcome of said legal proceedings. Upon motion by John Melancon to amend the grievance policy retroactively pending results from the justice system, which was second by Larry Griffin, the floor was opened for discussion. Commissioner Martin stated that we should not make it retroactive and approve this for future grievances. Commissioner Chuckie Cheramie questioned if an employee approaches a board member regarding a grievance to be added to the agenda, which Mr. Autin replied that the employee would be in violation of the grievance policy. Further discussion followed regarding amending the policy. Commissioner Griffin withdrew his second. Commissioner Chuckie Cheramie made an amendment to the motion to remove retroactive and amend the policy for future grievances which was second by Mr. Martin, the board took a roll call vote which resulted in 8 yeas: H. Cheramie, Melancon, Collins, Martin, Lafont, Bruce, Griffin, C. Cheramie, and 1 nay being Vizier. Commissioner Melancon withdrew his original motion. Upon motion by Chuckie Cheramie and second by Larry Griffin, the board unanimously approved amending the Employee Grievance policy prospectively for future grievances and authorized the President to suspend the grievance procedure pending the outcome of any legal proceedings.

Upon motion by John Melancon and second by Larry Griffin, the board unanimously approved to table advertising for bids for the old pontoon excavator for 30 days.

Permits & Waterways Committee – Chairman Chuckie Cheramie reported that the committee met on April 27, 2005 at the Operations Building in Fourchon. Present were Chuckie Cheramie, Beau Martin, Jimmy Lafont, and Donald Vizier. They also met on May 9, 2005 at the Administration Building in Galliano. All members were present. The Commission then discussed items that were discussed at the committee meetings.

Chairman Cheramie presented to the board the public notices by James Whitson, Jr., Browning Oil Company, Brent Duet, Picciola & Associates, and Coastal Caverns, LA LLC. The board discussed each permit in detail. Upon motion by Chuckie Cheramie and second by Jimmy Lafont, the board unanimously

authorized Mr. Falgout to write a letter to DNR and James Whitson, Jr. regarding their concerns of a previous prop-washing permit that caused substantial wetland impacts. Director Falgout reported that he has been in contact with the state and local CZM officials regarding the permitting process. Commissioner Martin thanked the board for taking this matter seriously. The board also recommended that Mr. Falgout write a letter requesting additional information for the Coastal Caverns' permit. Commissioner Martin requested an update on the Leeville graveyard. Upon motion by Beau Martin and second by Larry Griffin, a two-thirds vote was taken to add this item to the agenda, which was unanimously approved. Director Falgout reported that DEQ granted an Administrative Order, which ended on April 30<sup>th</sup> and since then had issued an amendment granting an extension for the Port to obtain the necessary permits. He stated that the Port agreed to perform the clean up in the original order once the necessary permits are received.

Construction & Development – Chairman Ervin Bruce reported that the committee met on April 27, 2005 at the Operations Building in Fourchon. Present were Ervin Bruce, Larry Griffin, Donald Vizier, and Wilbert Collins. They also met on May 9, 2005 at the Administration Building in Galliano. All members were present. The Commission then discussed items that were discussed at the committee meetings.

Upon motion by Jimmy Lafont and second by Wilbert Collins, the board unanimously approved the substantial completion for the Rowan Bulkhead Repair on Slip A.

Chairman Bruce presented for the board's approval the low bid for the southwest bulkhead repair on Slip A. Director Falgout reported that the low bidder was Circle, Inc. in the amount of \$287,769.00. He reported that Lanier has some concerns on the design and the strength of some existing piles. Upon motion by Chuckie Cheramie to accept the low bidder and a second by Wilbert Collins, the board opened the floor for discussion. Director Falgout stated that delays in awarding the bid results in delays in rentals from Rowan. Commissioner Melancon stated that we should allow time for Engineer Plaisance and the Shaw Group to review and comment on the concerns from Lanier. Engineer Plaisance reported that there are 30 days to award the contract, and also that it usually takes a few weeks for the contractor to receive their bonds. After further discussion, Commissioner Cheramie withdrew his motion. Upon motion by Donald Vizier and second by Beau Martin, the board unanimously approved to table awarding the bid to Circle, Inc.

Upon motion by Ervin Bruce and second by Harry Cheramie, the board unanimously approved the substantial completion for the AWOS project at the Airport.

Upon motion by Ervin Bruce and second by Harry Cheramie, the board unanimously approved the substantial completion for the Pontoon Excavator.

Finance – Chairman John Melancon reported that the committee met on April 27, 2005 at the Operations Building in Fourchon. Present were John Melancon, Larry Griffin, Wilbert Collins, and Donald Vizier. They also met on May 9, 2005 at the Administration Building in Galliano. All members were present. The Commission then discussed items that were discussed at the committee meetings.

Upon motion by John Melancon and second by Ervin Bruce, the board unanimously approved the invoices for the month of April 2005.

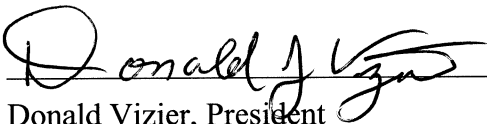
Chairman Melancon presented for the board's approval the 2004 Audited Financial Statements. Mr. Mark Felger of Lanaux and Felger Auditors briefed the Commissioners of the financial statements. He stated that the best possible opinion which is an unqualified opinion of general acceptable accounting principles was issued. He reported no findings and no weaknesses in the three reports, which consist of the opinion of the financials, internal controls, and financial grants. He stated that the Port's financial position continues to be stable and strong and continues to grow revenues from expansion and rentals. He reported that in the past 3 years, the Port financed over \$12 million for expansion projects. Mr. Felger thanked Ted, James, and the staff for their cooperation and assistance in obtaining the information needed for the audit. Upon motion by John Melancon and second by Larry Griffin, the board unanimously approved the 2004 audited financial statements.

President Vizier opened the floor for public comment. Mr. Doug Cheramie requested that Director Falgout explain the phases and progress of the Maritime Forest Ridge. Director Falgout reported that Phases 1 and 2 containing 6,000' has been constructed, and of that, 2,000' has been shaped. The middle of the ridge is 200' wide and has been shaped to a +8' elevation, and on both sides of the ridge is 100' wide and shaped to a 1.62' marsh elevation. He stated that NRCS is scheduled to plant many species of vegetation on May 28<sup>th</sup> & 29<sup>th</sup>. In the future, the Port will cut into the ridge every 1,000' to have tidal creeks and build freshwater areas, and later build bridges over these tidal areas to have a continuous walking trail. The whole project consists of 12,000' and will connect to LA Hwy 1 which is expected to be complete in 2009. Phases 1 and 2 are permitted and nearing completion and Phase 3 will be permitted once future slips are constructed.

Possible Executive Session – Director Falgout stated that there is no new information to report on the Rowan Bulkhead litigation that would require an executive session to be called.

Upon motion by Wilbert Collins and second by Beau Martin, the board unanimously approved to adjourn the meeting.

ATTEST:

  
\_\_\_\_\_  
Donald Vizier, President

  
\_\_\_\_\_  
Harry Cheramie, Secretary