

AGENDA
July 9, 2008 @ 10:30 AM

- I. Call to Order
- II. Pledge of Allegiance
- III. Roll Call
- IV. Consider June 11, 2008 regular meeting minutes for approval
- V. Consider June 25, 2008 special meeting minutes for approval
- VI. Executive Director's Report
 - A. Northern Expansion Update:**
 - 1) Slip B, West Bulkhead, Project #3 – John Plaisance
 - 2) Slip B, East Bulkhead, Project #4, Phase I – 700 LF – Larry Picciola
 - 3) Slip B, East Bulkhead, Project #4, Phase II – 1,100 LF – Larry Picciola
 - B. Airport Update/Project Status**
 - C. FEMA Update**
 - D. Highway Improvements**
 - E. Coastal Issues Update**
- VII. Committee Reports
 - A. Executive Committee**
 - 1) Consider approving the request from Lockheed Martin to lease additional office space
 - 2) Consider approving the request from Freedom Enterprises to lease a portion of property on site 604
 - 3) Consider approving the request from VIH Helicopters to extend lease for site SLIP-11
 - 4) Consider approving the request from Galliano Marine Service to assign site 603-A lease to C-Terminal, LLC
 - 5) Consider approving the request from C-Terminal, LLC to assign site 608 lease to C-Port, LLC
 - 6) Consider approving the proposed lease amendments for C-Port, LLC sites 607 and 608
 - 7) Consider approving the proposed Landlord Agreement requested by C-Port, LLC
 - 8) Consider approving the LOOP Buffer Zone Lease
 - 9) Consider approving the request from Offshore Cleaning Systems to lease site 193
 - B. Permits & Waterways Committee**
 - 1) Consider proceeding with the removal of M/V Lady Leota under Port Ordinance No. 25
 - 2) Permits:
 - a. Chevron Pipeline Company
 - b. Louisiana Delta Oil Company
 - c. Gail Serigny
 - d. Apache Corporation
 - e. Louisiana Delta Oil Company
 - f. Chevron Pipeline Company
 - g. Plains Pipeline, LP
 - h. LA DOTD
 - C. Construction & Development Committee**
 - 1) Consider approving the Cooperative Endeavor Agreement with Lafourche Parish Water District for the 50/50 cost share of the waterline for the Airport Roadway project
 - 2) Consider awarding contract for Pass Fourchon and Nerby Collins Marina Dredging project
 - 3) Consider the request from Stranco, Inc. for the Front Bulkhead Marina project
 - D. Finance Committee**
 - 1) Consider payment of June invoices and recognize expenditures over \$10,000
 - 2) Consider approving the June financial statement
 - 3) Consider approving the out of state travel request
- VIII. Any other business
 - A. Consider cancelling the Wednesday, August 27, 2008 Committee Meeting in Fourchon
- IX. Public Comment
- X. Possible Executive Session
 - A. Discuss pending litigation defined as "Greater Lafourche Port Commission vs. James Construction LLC, et al, Suit No.105161 in Division E of the 17th JDC-Parish of Lafourche"
- XI. Public Comment
- XII. Adjournment

Attachment

The pending litigation more specifically defined as "Greater Lafourche Port Commission vs. James Construction LLC, et al, Suit No.105161 in Division E of the 17th JDC-Parish of Lafourche" may be discussed in an executive session.

OFFICIAL PROCEEDINGS OF THE GREATER LAFOURCHE PORT COMMISSION
July 9, 2008

The Board of Commissioners of the Greater Lafourche Port Commission met in regular session on Wednesday, July 9, 2008 at 10:30AM.

President Griffin called the meeting to order and Secretary Collins called roll.

ATTENDED: Chuckie Cheramie, Perry Gisclair, Jimmy Lafont, Donald Vizier, Wilbert Collins, Larry Griffin, John Melancon, Jimmy Guidry, and Ervin Bruce

ABSENT: None

Upon motion by Donald Vizier and second by Ervin Bruce, the board unanimously approved the June 11, 2008 regular meeting minutes.

Upon motion by Wilbert Collins and second by John Melancon, the board unanimously approved the June 25, 2008 special meeting minutes.

President Griffin congratulated Director Falgout for being appointed to Governor Jindal's Coastal Protection and Restoration Financing Corporation.

Executive Director's Report

Northern Expansion Update – Engineer John Plaisance reported that he has received the contractor's certificate of insurance and the contracts are ready to sign for the Slip B, West Bulkhead, Project #3. Once the contracts are processed, we will issue a Notice to Proceed and begin pile testing and getting materials. Director Falgout stated that there has been a request for a different tie rod from what is in the specs. Mr. Plaisance stated that they are dealing with that request. We will need to make a decision to go with the dywidag rod or consider a similar tie rod. Commissioner Melancon stated that the rods go through the bulkhead and a washer is placed on the outside of the bulkhead. He questioned what is put on the inside of the bulkhead, which Mr. Plaisance replied there is no washer inside of the bulkhead. Commissioner Melancon questioned if the sheet pile could move if it is hit by a vessel even though it is stabilized with aggregate behind the bulkhead, which Mr. Plaisance replied that there is a lot of material behind the bulkhead but it takes time for it not to move and a big vessel might move it. Mr. Plaisance stated that he has not been involved in the investigation of broken tie rods along Slip B but is interested to know the outcome. Commissioner Gisclair stated that the specs have a dywidag which is a course thread rod and the other rod requested is a fine thread rod would that be an argument, which Mr. Plaisance stated that it could be and the key words in the specs state a dywidag or an approved equal.

Engineer Larry Picciola reported that the bid opening for Slip B, East Bulkhead, Project #4, Phase I is scheduled for August 5th. The preconstruction meeting is scheduled for July 22nd in Fourchon. Engineer Larry Picciola reported that for Slip B, East Bulkhead, Phase II design plans are on going. It looks like the bulkhead will be 75' – 80' steel sheets. He is looking at other options of soil improvements or additional light weight aggregate to bring down the cost. Steel cost has increased to a dollar a pound since Hurricane Katrina.

Airport Update/Project Status – Airport Manager, Jason Duet reported that the EDA Waterline and Roadway project will begin in 2 weeks to pave the roads and the small taxiway extension at the Airport. We did receive the letter from the Corps approving the relocation of the ditch on the north side of the runway. The Parallel Taxiway Safety Area project is now moving forward. Commissioner Cheramie requested an updated survey of incoming flights. Mr. Duet stated that he is keeping track of the flights and has just recently incorporated the data into a computer program. A report should be ready by the next meeting. Commissioner Cheramie stated that the road to the airport is getting bad and

questioned if the Parish will be repairing it soon? Director Falgout stated the Parish has already marked off the bad areas on the road and has awarded a contract to perform the repairs.

FEMA Update – Chett Chiasson reported that the Front Marina Bulkhead and the Pass Fourchon Dredging projects will be discussed later on agenda. The Maritime Forest Ridge Shaping project is moving along and is 65% complete and should be complete by mid-August.

Highway Improvements – Director Falgout reported that the Coalition continues to bring organizations to this area for future highway funding. The Governor's office of Coastal Activities and the Director of LA Recovery Authority was brought last month. Work by Wilbur Smith continues on identifying the finalized Phase 2 Right of Way between Leeville and Golden Meadow. The projects for Phase 1 are moving along well. The bid for the new lift span bridge in Larose came in at \$30 million, when the estimate was \$18 million. DOTD is still reviewing the bids. Commissioner Melancon questioned if the bids coming in are in line with DOTD's projections. This increase is a substantial amount and the bridge may be pushed back. This is an important bridge for the community and it would be sad if we keep prolonging the construction. Director Falgout stated that DOTD was comfortable with its estimate. We are in a very unique area of the state and contractors are busy everywhere. No one has a good handle on what energy prices will be. The toll booth project estimated to be \$3.5 million and came in at \$7 million. There is no good answer on projections and what contractors will bid. Commissioner Melancon stated that he is not sure how they are getting the estimates but they should realize how far off they have been for the past few projects. Director Falgout stated that they are getting the cost from the real cost of steel and cement. What they don't know is what a contractor will include for labor and material cost. Everyone has jobs and contractors import laborers from other areas when doing projects which also include housing cost and DOTD may not have a good handle on all these extras added into the bid amount.

Coastal Issues Update – Director Falgout stated that he is happy to be appointed by the Governor to the Coastal Protection and Restoration Finance Corporation. This will enable us to have input on OCS revenue sharing funding and whether we bond projects. We may be soon bonding a billion dollars of revenue sharing funds to start coastal restoration, levee work, and critical energy infrastructure. This legislative session, Senator Dupre passed a bill to restrict the infrastructure component to 10% of the money coming in from OCS revenue. This will allow us to allocate funding to pursue projects. Commissioner Griffin questioned if it will be another 8 -10 years until we get this money. Director Falgout stated that the major dollars do not come to the state from federal leasing until 2016. Prior to 2016, the state will receive \$10 - \$25 million a year which is insignificant to what we need. After 2016, revenue sharing spreads further across the Gulf and Louisiana will get somewhere between \$500 million to \$1 billion a year which is well out into the future. Given that, we are in the process of putting a package together to bond out projects and start projects sooner rather than later. This same concept was part of the Governor's platform to bond out money by establishing this corporation to do so.

Committee Reports

Executive Committee - Chairman Griffin reported that the committee met on June 25, 2008 at the Operations Building in Fourchon. Present were Larry Griffin, John Melancon, and Wilbert Collins. Jimmy Lafont was absent. The committee also met on July 7, 2008 at the Administration Building in Galliano with all members present. The Commission then discussed items that were discussed at the committee meetings.

Upon motion by Jimmy Lafont and second by Ervin Bruce, the board unanimously approved the request from Lockheed Martin to lease an additional office at the Operations Center in Fourchon to service the TWIC Administration. Mr. Chiasson stated that the overall TWIC card requirement deadline is April 15, 2009. This will cover most of Gulf Coast and includes vessels and merchant mariners. By January 2009, the public will need to have a TWIC card to enter a dock facility in Fourchon.

Upon motion by Wilbert Collins and second by Perry Gisclair, the board unanimously approved the request from Freedom Enterprises to lease .52 acres of property on site 604 along Dudley Bernard Road in Fourchon to establish a parking facility.

Upon motion by John Melancon and second by Jimmy Guidry, the board unanimously approved the request from VIH Helicopters to extend lease site SLIP-11 for an additional 3 years with 2 options.

Upon motion by Perry Gisclair and second by Ervin Bruce, the board unanimously approved the request from Galliano Marine Service, LLC to assign lease site 603-A to C-Terminal, LLC.

Upon motion by John Melancon and second by Chuckie Cheramie, the board unanimously approved the request from C-Terminal, LLC to assign lease site 608 to C-Port, LLC.

Upon motion by Jimmy Lafont and second by Jimmy Guidry, the board unanimously approved the proposed lease amendments for C-Port, LLC lease sites 607 and 608 which provides for access to the leased premises by way of land and water; clarification of indemnity and hold harmless provisions; renewal or amendment of the underlying prime lease and other related matters.

Upon motion by John Melancon and second by Ervin Bruce, the board unanimously approved the proposed Landlord Agreement for sites 607 and 608 requested by C-Port, LLC subject to additional language by Port Attorney.

Upon motion by Wilbert Collins and second by Jimmy Guidry, the board unanimously approved the LOOP Buffer Zone Lease of 23.25 acres. This is the area surrounding the LOOP tank farm which will not be developed and LOOP will provide the excess material from the tank foundations to the Port.

Upon motion by Jimmy Lafont and second by Wilbert Collins, the board unanimously approved the proposal from Offshore Cleaning Systems to lease 3.17 acres of property on site 193 along LA 3090 in Fourchon.

Permits & Waterways Committee - Chairman Cheramie reported that the committee met on June 25, 2008 at the Operations Building in Fourchon. Present were Larry Griffin and Perry Gisclair. Chuckie Cheramie and Jimmy Lafont were absent. The committee also met on July 7, 2008 at the Administration Building in Galliano with all members present. The Commission then discussed items that were discussed at the committee meetings.

Chairman Cheramie presented for the board's consideration proceeding with the removal of M/V Lady Leota under Port Ordinance No. 25. Chief Callais spoke to the owner Ms. Martin who stated that she has a welder and diver ready to try to lift the vessel and she is requesting an extension of 2-3 months. Commissioner Lafont stated that we need to give them as much time as we legally can to help them out because they can't afford it. Commissioner Cheramie agreed because they have made several attempts to lift the vessel. Commissioner Melancon agreed as well and stated that it is not an unfair amount of time compared to what we have given others and hopes they can get it done.

Chairman Cheramie presented to the board the permits by Chevron Pipeline Company; Louisiana Delta Oil Company; Gail Serigny; Apache Corporation; Louisiana Delta Oil Company; Chevron Pipeline Company; Plains Pipeline, LP; and LA DOTD.

Construction & Development Committee - Chairman Bruce reported that the committee met on June 25, 2008 at the Operations Building in Fourchon. Present were Larry Griffin, John Melancon, and Ervin Bruce. Donald Vizier was absent. The committee also met on July 7, 2008 at the Administration Building in Galliano with all members present. The Commission then discussed items that were discussed at the committee meetings.

Upon motion by Chuckie Cheramie and second by Wilbert Collins, the board approved the Cooperative Endeavor Agreement with Lafourche Parish Water District for a 50/50 cost share of the waterline for the Airport Roadway and Waterline project.

Chairman Bruce presented for the board's consideration awarding the contract for Pass Fourchon and Nerby Collins Marina Dredging project. Director Falgout stated that we had hoped to award the project today but we still have a week left until the 45 days expires. Mr. Autin stated that we received a letter last night from the Caillouet Corporation stating their position. There are different opinions on how this unfolds and we are not ready to make a recommendation of award today. We will have more discussions with Weeks Marine and the Board and possibly have a special meeting next Wednesday. No action will be taken at this time.

Chairman Bruce presented for the board's consideration the request from Stranco, Inc. for the Front Bulkhead Marina project. Director Falgout stated that this is an opportunity to put this project to

rest which has taken longer than ever imagined. Stranco submitted a request of \$293,084.53 but the Port Engineer and staff have negotiated that amount down to \$45,981.42. The Port received a letter from Stranco which states that they agree with the \$45,981.42 which includes the additional 4 days they requested. Upon motion by John Melancon and second by Wilbert Collins, the board approved the final amount of \$45,981.42 to close out the project. Commissioner Lafont commended the staff for bringing down the cost.

Finance Committee - Chairman John Melancon reported that the committee met on June 25, 2008, at the Operations Building in Fourchon. Present were John Melancon, Wilbert Collins, Jimmy Guidry, and Larry Griffin. The committee also met on July 7, 2008 at the Administrations Building in Galliano with all members present. The Commission then discussed items that were discussed at the committee meetings.

Upon motion by John Melancon and second by Wilbert Collins, the board unanimously approved payment of June invoices and recognized expenditures over \$10,000.

Upon motion by John Melancon and second by Jimmy Guidry, the board unanimously approved the June financial statement.

Upon motion by John Melancon and second by Wilbert Collins, the board unanimously approved the out of state travel requests by Ted Falgout to attend America's Energy Coast Leadership Forum on July 23rd in Texas; and Ted Falgout, Larry Griffin, Jimmy Guidry, Wilbert Collins, Chuckie Cheramie, and Jimmy Lafont to attend the AAPA Annual Convention on September 20th in Alaska.

Chairman Griffin opened the floor to any other business. Commissioner Melancon stated that some employees have requested to work for other entities and asked the staff to look into the liability of the Port and if we need to indemnify ourselves from the other entities. President Griffin stated that some Harbor Police officers requested to work part time for Golden Meadow Police Department. Director Falgout stated that Mr. Rome will take the leadership role to get all that information settled with the Port and the employees. Commissioner Gisclair stated that he has spoken to Mayor Bouziga who has requested to address the board at the next meeting to answer any questions.

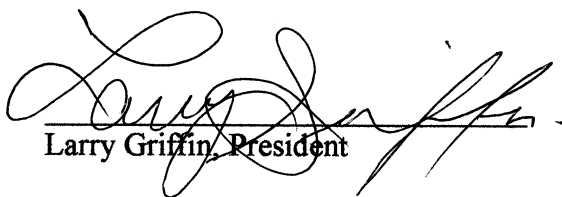
Upon motion by John Melancon and second by Wilbert Collins, the board unanimously cancelled the Wednesday, August 27, 2008 Committee Meeting in Fourchon due to a conflict with another Port event.

Chairman Griffin opened the floor for public comment. Mr. Breaux thanked the community for supporting the 61st Annual Golden Meadow-Fourchon Tarpon Rodeo. He stated that it was a great success with great weather. Chairman Griffin congratulated Mr. Breaux and everyone involved in making this a success. Commissioner Melancon questioned if the tours of the Port went well, which Ms. Schouest stated that she did 3 tours on Saturday with people from Metairie, Slidell, and Dallas.

Upon motion by Jimmy Lafont and second by Wilbert Collins, a two thirds vote was called to enter into Executive Session to discuss the pending litigation defined as "Greater Lafourche Port Commission vs. James Construction LLC, et al, Suit No.105161 in Division E of the 17th JDC-Parish of Lafourche". The roll call vote resulted in 9 yeas by Cheramie, Gisclair, Lafont, Vizier, Collins, Griffin, Melancon, Guidry and Bruce. The board then returned to the regular meeting.

Upon motion by Jimmy Lafont and second by Chuckie Cheramie, the board adjourned the regular meeting.

ATTEST:


Larry Griffin, President


Wilbert Collins, Secretary