

AGENDA  
August 13, 2008 @ 10:30 AM  
Revised 8/12/08

- I. Call to Order
- II. Pledge of Allegiance
- III. Roll Call
- IV. Consider July 9, 2008 regular meeting minutes for approval
- V. Consider July 16, 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 Outside Employment Policy
    - 2) Consider approving the Right of First Refusal/Leasing Policy
    - 3) Consider naming Director Falgout as the accredited delegate for the 2008 AAPA Annual Convention
    - 4) Consider approving the request from L&L Oil and Gas Service for a landlord subordination agreement
  - B. Permits & Waterways Committee
    - 1) Permits:
      - a. Jimmie Martin
      - b. Nolan Guidry
      - c. Chevron Pipeline Company
  - C. Construction & Development Committee
    - 1) Consider approving the high bids for Surplus Equipment
  - D. Finance Committee
    - 1) Consider payment of July invoices and recognize expenditures over \$10,000
    - 2) Consider approving the July financial statement
    - 3) Consider approving the out of state travel request
    - 4) Adopt the millage rate for the tax year 2008
- VIII. Any other business
- IX. Public Comment
- X. Adjournment

# OFFICIAL PROCEEDINGS OF THE GREATER LAFOURCHE PORT COMMISSION

August 13, 2008

The Board of Commissioners of the Greater Lafourche Port Commission met in regular session on Wednesday, August 13, 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 Wilbert Collins, the board unanimously approved the July 9, 2008 regular meeting minutes

Upon motion by Wilbert Collins and second by Ervin Bruce, the board unanimously approved the July 16, 2008 special meeting minutes.

## **Executive Director's Report**

Northern Expansion Update – Engineer John Plaisance reported that the preconstruction meeting for Slip B, West Bulkhead, Project #3 was held last Thursday. The notice of procurement of materials was given to James Construction on August 11<sup>th</sup> ending October 10<sup>th</sup>. The project is \$14.47 million for 2314 linear feet of bulkhead. Engineer Larry Picciola reported that the bid opening has been postponed until August 19<sup>th</sup> at 2:00 pm for Slip B, East Bulkhead, Project #4, Phase I. The builder's risk insurance has been removed from the requirements which will save from \$50,000 to \$100,000. Since it is a bulkhead project, there will be minimal damage to materials and builder's risk does not cover flooding. Engineer Larry Picciola reported that for Slip B, East Bulkhead, Project #4, Phase II design plans are ongoing. No cost estimate at this time. He continues to look at other options to reduce the cost and length of steel.

Airport Update/Project Status – Airport Manager, Jason Duet reported that Ronald Adams is working on the EDA Waterline and Roadway Project. The taxiway connector to American Air site has been excavated. The project has been delayed due to rain. Phylway Construction has started the relocation of the levee and drainage ditch but they also had some delays due to rain. Mr. Duet reported on the aircraft activity at the airport. He stated that helicopter traffic has not changed much since last October; however, the jet activity has a significant increase since last year. The continued improvements to the airport will increase traffic. Director Falgout stated that we are hoping to get funding from FAA to continue improving the airport. He stated that the Commission's willingness to invest port money into the airport and match federal funding plays a big role in their continued participation.

FEMA Update – Director Falgout stated that our staff has done an exceptional job working with FEMA and documenting the damages that occur at the Port. The Port had siltation due to the hurricanes which was used in a beneficial manner to rebuild the Maritime Forest Ridge. The siltation in Pass Fourchon will go toward beach nourishment. Chett Chiasson reported that Grand Isle Shipyard is working on the Maritime Forest Ridge Shaping project. They should be complete prior to their completion date of October 11<sup>th</sup>. Mr. Chiasson reported that a preconstruction meeting for Pass Fourchon Dredging was held last Monday. The contractor Weeks Marine will build the retainer levees on the Caillouet property which will last 3 weeks, then bucket dredge Nerby Collins Marina, then finally dredge Pass Fourchon. There will be approximately 200,000 cubic yards of material placed in the beach area. Commissioner Gisclair questioned the projected date of the placement of the dredge pipes, which Director Falgout stated that the retainer levees should take 3 weeks. The pipe crossings

should be placed after Labor Day so there are no major issues with the beach closure. In order to deliver the material to the Caillouet's, we may have a pipe across the main road to the beach at night and close the road at the bridge.

Commissioner Melancon questioned if the dredge project for Pass Fourchon includes the siltation in Belle Pass, which Mr. Chiasson stated that the Belle Pass dredging project is a separate project facilitated by the Corps. Director Falgout stated that if Weeks Marine gets the bid for the Corps job it can very well be the same dredging contractor. Director Falgout stated that shortly after the Colonel visited Fourchon a few weeks ago, we received word that monies were reprogrammed and they anticipate bidding the project in late August. There will be 2 dredging projects in the Port at the same time which may be done by the same contractor. The material from the Corps' Belle Pass Dredging project will be placed on the east side of the jetty system. We had considerable erosion on the east side and we are asking for approximately 600,000 cubic yards of material to be placed there.

Highway Improvements – Director of LA 1 Coalition, Henri Boulet reported that Phase 1A of the LA 1 Project (between Port Fourchon and Leeville) is 9% complete. Phase 1B (approaches to the new Leeville Overpass) is 67% complete, and Phase 1C (400 ft center span) is 89% complete.

Phase 1D (Tolling & Customer Service Center) the bid in the amount of \$7,548,884 was awarded to Ernest P. Breaux Electrical, Inc. with a notice to proceed given in late June. That phase is moving well at this time.

Phase 2 (between Leeville and Golden Meadow) the consulting engineering firm has now recommended a revised alignment within the original EIS study area to DOTD which would eliminate the majority of costly pipeline crossings. As well it recommends bridging over the SLLD levee at a higher level than originally anticipated to accommodate predicted higher levee heights by the Corps for the 100 year level of structural protection. The Coalition, in connection with DOTD, recently submitted a preliminary FEMA Hazard Mitigation Grant Application for \$3.5 million for design. We should hear by the end of this month if FEMA rules the application eligible. The Coalition also has requested that the CPRA consider investing a portion of the \$300 million state surplus funds into LA 1 as "infrastructure directly impacted by coastal land loss", and as a project which will contribute to improving hurricane evacuation routes and finally, as a project which will support the huge economic engine of the oil/gas industry for our state. The CPRA will announce their funding decisions this afternoon. Also on Phase 2, Senator Landrieu has been successful in placing \$650,000 for the LA 1 Project in a Senate Committee passed Transportation Appropriation measure. It is not known at this time if the House will act on this measure this year, or if administration will support it. You may remember that last year there was no Transportation Appropriations at all. Additionally for Phase 2, a group of 10 bipartisan US Senators have been working on energy policy called the "Energy Reform Act of 2008" which includes identifying prohibitors/inhibitors to the greater OCS production, including energy infrastructure. It is unknown if Senate/House leadership will allow this to go to a vote after the August session.

Speaking of greater OCS production, in light of the nation's energy situation drastically changing over the last year, MMS has jump started a new 5-year program, even though the existing program goes through 2012. A "Call for Information", or comments will be received through September 15<sup>th</sup> on information that should be considered in a new 5-year plan. The Coalition will submit officials comments strongly encouraging the mitigation of impacts that would be felt by our highways should additional OCS areas in US Gulf of Mexico be opened.

An update on the federal assessment of LA 1: The U.S. Department of Energy will produce an Economic Analysis on the Importance of LA 1 to the Nation. Currently, Department of Energy Shop Analyst along with DOE Energy Infrastructure Team personnel from the National Energy Technology Lab in Virginia has the project.

The LA 1 Coalition continues to tell of the need for the LA 1 Project among users in the private sector, and seek their support for moving the project forward. I recently made a presentation on the Project to the Annual Gulf of Mexico Deepwater Technical Symposium. Much discussion at the symposium centered on the industry's huge challenge it will face in acquiring trained personnel and supplies to meet the 15 large deepwater drilling projects that will begin in the next two to three years.

The state will decide by tomorrow if it will accept the \$30 million bid on the Larose Bayou Lafourche Bridge. After discussions with DOTD personnel, I am not confident that they will accept the bid, which came in 62% over estimate of \$18 million. On that same note, a Gannett news Service article in late July stated that "Due to the rising cost of asphalt, cement, steel and other building materials nationwide, state transportation officials nationwide could delay future road and mass transportation projects. They also cited a decline in fuel tax revenues for these delays.

Finally, the Coalition continues to push for the LA 1 Project, as critical energy infrastructure, to be included in the US Corps of engineers LACPR Plan which congress mandated to give the state a 100 year level storm protection.

Commissioner Guidry questioned the new alignment of Phase 2, which Mr. Boulet stated DOTD has not formally accepted the recommendation but they don't see a problem to go with the new alignment. It is slightly to the west and approximately ½ mile over the original alignment. It will allow them to cross the levee at a different area and possibly reduce the cost.

Commissioner Vizier questioned the Larose Bridge bid, which Mr. Boulet stated that they will probably refuse the bid but they do intend to rebid. Commissioner Melancon questioned what happens to a project that is rebid for the third time is it eventually eliminated, which Mr. Boulet stated that it is not eliminated. DOTD's budget for this year had \$18 million to do this project and if they accept the \$30 million bid they would not be able to do another project scheduled for this year. DOTD needs to budget \$30 million plus increases for next year to have this project done. The Coalition and Senator Dupre has done everything to push for this project to be awarded. DOTD Secretary is aware of what this bridge would be replacing.

Commissioner Gisclair questioned the cost for the tolling center, which Mr. Boulet stated that the estimate was \$5 million but the bids came in at \$7 million which is a 30% increase. This project had to be awarded due to the time restraints on bonds and it has to be ready by a certain date. Again by awarding this project which was over budget, it took some funds away from the Causeway Connection project.

Coastal Issues Update – Director Falgout stated that he attended the America's Wetlands Campaign on "America's Energy Coast Initiative" in Houston of the Gulf States to come together for a concept to achieve sustainability to continue producing energy for this country. He chairs the Infrastructure Task Force on that committee. They came up with action items that need to be done and we will see good things come out of this in the future. He attended the Coastal Protection and Restoration Finance Corporation meeting which he is the Vice Chairman which will allow him to have more input with that organization.

Director Falgout received an email this morning that the Governor's Administration worked out a long-term pay back of the \$1.8 billion that is needed to match the federal contributions to build the levees in New Orleans. All our coastal restoration projects were on hold until they worked out this plan which has now been spread out to a 30 year plan. The state can now allocate the \$300 million in surplus that they were holding to build hurricane protection and coastal restoration projects. The Governor released a press release allocating the \$300 million in surplus to the following projects: \$160 million for Hurricane Protection which includes \$40 million for the Morganza to the Gulf and \$15 million for Larose to Golden Meadow Highway project. Also \$110 million for Coastal Restoration projects which includes \$45 million to Barrier Island Restoration and Shoreline Protection, \$30 million to the Caminada Headland Barriere Shoreline (Mississippi River to Port Fourchon), \$20 million to the Bayou Lafourche Project (freshwater down Bayou Lafourche), \$20 million to Beneficial Use of Dredge Material from Navigational Channels, and \$15 million to Pipeline Conveyance of dredge spoil/Dedicated Dredging (Lafourche, Jefferson, and Plaquemines Parish committed a million dollars to start from the Mississippi River and build continuous marsh all the way to South Lafourche Levee). The CPRA is meeting today to approve these items.

Director Falgout stated we need to thank Congressman Melancon for pursuing the Corps' Belle Pass Dredging project from Washington and having the Corps reallocate this money.

## **Committee Reports**

Executive Committee - Chairman Griffin reported that the committee met on July 23, 2008 at the Operations Building in Fourchon. Present were Larry Griffin, John Melancon, and Jimmy Lafont. Wilbert Collins was absent. The committee also met on August 11, 2008 at the Administration Building in Galliano with all members present. The Commission then discussed items that were discussed at the committee meetings.

Chairman Griffin recommended adding to the agenda the Corps Right of Entry agreement. Upon motion by Chuckie Cheramie and second by Wilbert Collins, the full board voted which resulted in a unanimous vote to add the Corps agreement to the agenda.

Upon motion by John Melancon and second by Jimmy Guidry, the board unanimously authorized Director Falgout to execute the Corps of Engineer's Right of Entry to dredge in Belle Pass from Centerline Station 200+00 to 330+00.

Upon motion by John Melancon and second by Perry Gisclair, the board unanimously approved the Outside Employment Policy. Director Falgout stated that this policy allows off-duty officers to work part-time with other entities in our community.

Chairman Griffin presented for the board consideration approving the Right of First Refusal/Leasing Policy. Director Falgout stated that for many years we have had different types of requests from companies for right of first refusals, lease options, or lease contracts which results in different documents. The administration has reviewed the different types of requests and has come up with this policy. This policy is a working document and can be modified. Upon motion by Perry Gisclair and second by Ervin Bruce, the board unanimously approved the policy.

Upon motion by John Melancon and second by Jimmy Guidry, the board unanimously named Director Falgout as the accredited delegate for the 2008 AAPA Annual Convention.

Upon motion by Chuckie Cheramie and second by Jimmy Guidry, the board unanimously approved the request from L&L Oil and Gas Service for a Landlord Subordination agreement with Marquette Finance for equipment on site GLF501-16B.

Permits & Waterways Committee - Chairman Cheramie reported that the committee met on July 23, 2008 at the Operations Building in Fourchon. Present were Chuckie Cheramie, Larry Griffin, Perry Gisclair and Jimmy Lafont. The committee also met on August 11, 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 to the board permits by Jimmie Martin, Sr., Nolan Guidry, and Chevron Pipeline Company.

Construction & Development Committee - Chairman Bruce reported that the committee met on July 23, 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 August 11, 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 Perry Gisclair, the board unanimously approved the high bids for the 59 items of Surplus Equipment in the amount of \$19,769.16.

Finance Committee - Chairman John Melancon reported that the committee met on July 23, 2008, at the Operations Building in Fourchon. Present were John Melancon, Jimmy Guidry, and Larry Griffin. Wilbert Collins was absent. The committee also met on August 11, 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 John Melancon and second by Wilbert Collins, the board unanimously approved the payment of July invoices and recognized expenditures over \$10,000.

Upon motion by John Melancon and second by Perry Gisclair, the board unanimously approved the July financial statement.

Upon motion by John Melancon and second by Ervin Bruce, the board unanimously approved the out of state travel request by Joe Colson to attend the VM World Conference on August 15<sup>th</sup> in Las Vegas, Nevada.

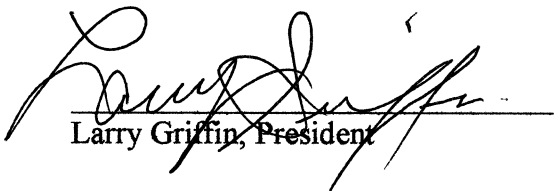
Upon motion by John Melancon and second by Ervin Bruce, the board unanimously approved the out of state travel request by Chett Chiasson to attend the AAPA Marine Management Training on October 19<sup>th</sup> in Maryland.

Upon motion by John Melancon and second by Jimmy Lafont, the board unanimously adopted the millage rate of 6.84 mills for the tax year 2008.

President Griffin opened the floor for public comment which Commissioner Gisclair announced that the Committee Meeting scheduled for August 28<sup>th</sup> in Fourchon is cancelled.

Upon motion by Jimmy Lafont and second by John Melancon, the board adjourned the regular meeting.

ATTEST:

  
Larry Griffin, President

  
Wilbert Collins, Secretary