

AGENDA
February 11, 2009 @ 10:30 AM
(Revised 2/10/09 - 9:00am)

- I. Call to Order
- II. Pledge of Allegiance
- III. Roll Call
- IV. Consider approval of minutes for January 14, 2009 regular meeting
- V. Executive Director's Report
 - A. Northern Expansion**
 - 1) Slip B West Bulkhead, Project #3 (J. Wayne Plaisance)
 - 2) Slip B East Bulkhead, Project #4, Phases I and II (Angelette-Picciola)
 - B. Airport**
 - 1) Parallel Taxiway Site Prep & Safety Area (LPA Group)
 - 2) North Taxiway Paving (LPA Group)
 - 3) Localizer (LPA Group)
 - 4) Other Tenant Industrial Developments
 - C. FEMA**
 - D. Highway Improvements**
 - E. Coastal Issues**
- VI. Committee Reports
 - A. Executive Committee**
 - 1) Consider the termination notice by Doerle Properties for lease GLF205
 - 2) Consider the termination notice by Hydrocarbon Flow Specialist for lease GLF198
 - 3) Consider the request from CLC regarding appraisal of Baroid (non-waterfront) Tract
 - 4) Consider the CLC reimbursement for Pass Fourchon Dredging project
 - 5) Consider naming successor to position of Executive Director
 - 6) Consider bids for the Surplus Trailers
 - B. Permits & Waterways Committee**
 - 1) Review permit applications:
 - a. Ascent Energy, Inc.
 - b. Superior Shipyard, Inc.
 - c. International Boat Rentals
 - d. Bayou Blues Holding, LLC
 - C. Construction & Development Committee**
 - 1) Consider low bid for the Localizer project at the Airport
 - 2) Consider Change Order No. 1 for the Parallel Taxiway Site Prep
 - 3) Consider the Substantial Completion Certificate by Phylway for the Parallel Taxiway Site Prep
 - D. Finance Committee**
 - 1) Consider payment of January invoices and recognize expenditures over \$10,000
 - 2) Consider December 2008 financial statement
 - 3) Consider out of state travel requests
- VII. Any other business
- VIII. Public Comment
- IX. Adjournment

OFFICIAL PROCEEDINGS OF THE GREATER LAFOURCHE PORT COMMISSION

February 11, 2009

The Board of Commissioners of the Greater Lafourche Port Commission met in regular session on Wednesday, February 11, 2009 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 Wilbert Collins and second by Ervin Bruce, the board unanimously approved the minutes for the January 14, 2009 regular meeting.

Executive Director's Report

Northern Expansion – Engineer John Plaisance reported that James Construction is progressing well on Slip B West Bulkhead, Project #3. All the steel sheets are installed with approximately 500 ft of deadman poured and approximately 1200 ft of timber piles installed. The project is expected to be complete by mid-July. Engineer Larry Picciola reported that Low Land Construction is working up to the southeast corner of Slip B installing steel sheets for Slip B East Bulkhead, Project #4, Phase I. The plan is to stop at the corner then work from the end of Phase III project to tie back in at the southeast corner to insure that the back of slip is straight. The contractor is starting to drive timber piles this week. He stated that he plans to submit to DOTD the project designs for Phase II within the next couple of weeks for approval.

Airport – Airport Manager, Jason Duet reported that the Parallel Taxiway Site Prep & Safety Area project is complete. There is a change order and substantial completion certificate on the agenda for approval. The North Taxiway Paving project is moving along and the contractor plans to be complete ahead of schedule. The apron was closed for 30 days due to construction work, but is expected to reopen this week. Director Falgout questioned if the runway is open, which Mr. Duet replied yes. Mr. Duet reported that bids were received last month for the Localizer project. The recommendation from the engineer is to award to the low bidder ASMI which is on the agenda for approval. Mr. Duet reported on other tenant developments at the airport. VIH/Cougar Helicopters is constructing a hangar and office building which they expect to move into the facility in March and have the hangar complete by May. American Air Services is constructing a hangar facility which 3 jets will be based in. The additional jet operations at the airport will help the justification for continued funding for the airport. Rotorcraft facility was built a few years ago with an office building, hangar, large parking lot, and landing pads. Commissioner Cheramie questioned if VIH will continue working out of the Airport's Administration building and using the apron once they are finished construction, which Mr. Duet replied that GAO FBO Services will continue working at the building but the helicopters will move to the new site. Commissioner Vizier questioned the amount of investment by the companies within the last 2 years, which Director Falgout stated that the investments has been in excess of \$10 million and once they are all completed it will be close to \$20 million.

FEMA – Mr. Chett Chiasson reported that Engineer Plaisance is working on the design plans to repair the wharves at the Front Commercial Marina and the Public Boat Launch which should be complete by this week to begin advertising. The scheduled contract time will be 90 days. Engineer Picciola should be complete with the Debris Removal contract by this week to also begin advertising. There is approximately 45,000 cubic yards of debris to be removed from the Port. The FEMA project worksheet (PW) for the Front Marina retaining wall has been signed to repair the northeast corner of the marina. We presented to FEMA to do a different project to place fill material and limestone rip rap to be

uniform with the rest of the marina. The Beach project is moving slowly. We are working with GOHSEP to write a letter on our behalf to FEMA for an eligibility determination. We fully believe it is eligible however the PW has not been written yet. If the beach project is determined eligible, we will move forward with the project. If it is determined ineligible by FEMA, we will move forward with an appeal to get an eligible project.

Director Falgout reported that he had discussions with the Parish to extend and repair the Beach Road to have vehicle access to the Beach. Mr. Breaux reported that the Parish is interested in an agreement with the Port to reimburse us for the cost to put back the 100' x 80' section access to the beach. We are waiting on written confirmation to begin repairs. There was further discussion regarding the beach project, debris removal and the bathhouse replacement.

Highway Improvements – Mr. Henri Boulet updated the board on the revised percentages of the highway improvements. He reported that as of December 31, 2008 Phase 1A (Port Fourchon to Leeville) is 16 % is complete, Phase 1B (approaches) is 83% complete, Phase 1C (center span) is 91% complete, and Phase 1D (tolling service center) is 34% complete. There is a proposed 70 calendar day contract extension that the state may be granting to the contractor due to Hurricane Gustav.

Concerning Phase 2 of the LA 1 Project, the DOTD is still planning on beginning the R/O/W acquisition process as soon as they receive the finalized R/O/W maps scheduled for later this month. \$2 million of state funds remains available for this process. The geo-technical work within the eight miles of proposed R/O/W is now estimated at \$4-5 million which will include a test pile program. This is above the \$3.5 million cost estimate to design the actual 8.3 mile structure. When you add in additional incidentals and contingencies, Mr. Boulet is working toward securing \$8-10 million for pre-construction task. The Coalition is grateful that the Lafourche Parish Council, through a Cooperative Endeavor Agreement with DOTD, will contribute \$3.5 million of these needed funds. We are working on several other opportunities to secure the additional pre-construction funds, including FEMA and the LRA and any future stimulus funds.

Concerning Phase 2 receiving construction funds from the proposed federal stimulus bill, as you may have heard on the news, the US Senate passed a bill with their version of the stimulus bill, and now the Senate and House will hold a conference committee to come to an agreement on a compromised version, which could be voted on by both houses prior to next Monday. When you look at highway funding in either of the existing bills, Louisiana would potentially get \$425 million for highway projects according to the federal DOT's Surface Transportation Program formula. While Phase 2 needs \$360 million to bid out, it is listed in the DOTD's wish list for stimulus funded projects. It will be extremely challenging to convince state leaders to invest over 75% of the entire state's highway stimulus funds into one project. We are trying to capture all we can, but additionally, we are hoping the Senate version places another \$5.5 billion in the stimulus for Supplemental Discretionary Grants for the National Surface Transportation program will remain in the final bill.

U.S. Department of Energy officials in Washington are still working out contract issues with their modeling group to complete the Economic Assessment of Louisiana Highway 1.

Looking ahead to Phase 3 (extending the 4-lane from Larose to Highway 90) of the LA 1 Project, Director Falgout and Mr. Boulet are scheduled to meet with the newly reorganized I-49 Coalition next month to discuss how we can mutually benefit our goals for improving highway infrastructure along this energy corridor.

Mr. Boulet has been appointed by the US Department of Interior Secretary to serve on the Minerals Management Service's Royalty Policy Committee, which provides policy advice to the Secretary on functions involved in the management of Federal and Indian mineral leases. He looks forward to bringing forth the views of our community, our state, and industry to the Secretary on these issues.

Concerning the overlaying of Highway 3090, Mike Stack, District 2 Administrator is still seeking funding from a number of sources to accelerate the project. As of now it remains scheduled in the fiscal year 2011-2012 Preservation Program. It is listed in the stimulus list, probably due to the fact that Lafourche Parish projects listed 30% of the entire DOTD stimulus funded wish list. While state

Metropolitan Planning Organization is scheduled to receive funds for smaller highway projects in urbanized areas as determined by the census bureau, the urban area of Lafourche ends in Golden Meadow.

Concerning the problem with the ponding of water at the intersection of Hwy. 3090 and LA 1, the DOTD Area Engineer did instruct his maintenance department to have their road grader make a V-ditch along 3090 to carry that water south along the highway. As of today, the road grader is undergoing repairs, but it should be back later this week to start the repairs.

The state hearing on updates to the 25 year Master Transportation Plan held on January 28th was well attended. The Coalition did submit officials comment, and I know Director Falgout commented at the meeting.

The Coalition continues to grow out support, this month ExxonMobil joined their effort.

Finally, the Coalition continues to convey to members of Congressional the need for a substantial investment in the highway infrastructure system in between US 90 and Grand Isle. In the last month, Mr. Boulet updated two of Louisiana's new Congressman in Washington on the criticality of the project to the nation as well as the U.S. Chamber of Commerce Executive Director of the Energy Institute. The relationship with this organization will strengthen our request for funding of the LA 1 Project.

Commissioner Cheramie stated that he spoke to Senator Dupre about the damages to LA 3090. Senator Dupre suggested that a letter be sent to his office and Representative Gisclair stating the Board's concerns that LA 3090 is a safety hazard. Upon motion by Chuckie Cheramie and second by Wilbert Collins, the board supported a letter of concern be sent to legislators.

Commissioner Melancon questioned if Mr. Boulet had a copy of the stimulus package breakdown, which Mr. Boulet replied yes and he can provide a copy to the board. The senate version \$27 billion with another \$5 billion set aside for grants on competitive basis. Director Falgout questioned if any funds are determined for coastal restoration, which Mr. Boulet replied that there are funds for coastal projects through the Corps. Mr. Boulet stated that from emails with Senator Landrieu's office, she feels that LA's share of Corps funds range from \$800-\$900 million which includes dredging. Senator Landrieu estimated \$425 million for LA highways. Further discussion followed regarding the stimulus bill.

Commissioner Gisclair recommended that the board consider at a later date to take the same approach as the Lafourche Parish Government to move some funds to support the r/o/w and geotechnical work for Phase 2 to get that project ready to bid. Director Falgout stated that this would be additional leverage that could help our project application move up the list compared to another project that does not have this funding support.

Coastal Issues – Director Falgout reported that the CPRA has submitted their 3 year plan for funding which will be reviewed to determine if consistent with community views. He will be attending a meeting on Friday with DNR to discuss the State initiative for a beneficial use program to use most materials generated from coastal projects in a beneficial manner. Davis Pond is not operating at full capacity. It has been reduced to 1,000 cubic feet per second during the repairs that should be completed in three weeks. Once repairs are complete, it will be brought back up to 5,000 – 7,000 cfps. A Diversion Summit is scheduled to be held in Louisiana to determine the best diversion projects that will benefit Louisiana. The state needs to review all the small and large diversion projects out there and determine which project will achieve sustainability out into future.

Committee Reports

Executive Committee – Chairman Griffin reported that the committee met on January 28, 2009 at the Operations Building in Fourchon. Present were Larry Griffin, John Melancon, and Jimmy Lafont. Wilbert Collins was absent. The board also met on February 9, 2009 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 Wilbert Collins and second by Jimmy Guidry, the board unanimously approved naming Mr. Chett Chiasson as the successor to the Executive Director position. Mr. Chiasson stated that

he is excited to take this position and thanked the board for their confidence in taking this next step. He thanked Ted for recommending him and looks forward to working with him. He thanked his wife Lana, parents Chris and Debra Chiasson, and grand-mother Mildred Griffin who were in the audience supporting him. He stated that being from the tenth ward, growing up in Larose and now living in Cut Off, he has worked at the Port Commission for the past 3 years. He knows how important the Port Commission is to this region, state, and nation. The board and Mr. Falgout put together a staff of experienced hardworking employees that is second to none. He thanked the board and looks forward to taking the Port into the next 30 years. The board and Mr. Falgout then expressed their congratulations to Mr. Chiasson and they look forward to working with him.

Upon motion by John Melancon and second by Wilbert Collins, the board unanimously approved the request by Doerle Properties to terminate lease site GLF205 effective January 31, 2009.

Upon motion by Chuckie Cheramie and second by Donald Vizier, the board unanimously approved the request by Hydrocarbon Flow Specialist to terminate lease site GLF198 effective January 31, 2009.

Upon motion by Perry Gisclair and second by Ervin Bruce, the board does hereby seek a judicial interpretation of what should be the subject of the appraisal process under Article IV, Section (c) of the 1984 Baroid Lease, and whether improvements made to the Baroid Tract by the Port or the Port's tenants should be considered in said appraisal.

Upon motion by Chuckie Cheramie and second by Ervin Bruce, the board does hereby seek judicial interpretation of the provisions of the Consent Judgment relative to costs incurred for Pass Fourchon dredging work which deposited material on lands of the Caillouet Land Corporation, and whether said costs should be borne by the Caillouet Land Corporation.

Upon motion by Perry Gisclair and second by Wilbert Collins, the board unanimously approved the high bids for surplus trailers. The 3 travel trailers were sold to Callais Properties for \$5,000, Janice Dantin for \$3,500, and Skid Gaspard for \$5,999.99. The 2 mobile homes were sold to Janice Dantin for \$16,500 and \$17,500.01.

Permits & Waterways Committee – Chairman Cheramie reported that the committee met on January 28, 2009 at the Operations Building in Fourchon. Present were Larry Griffin and Jimmy Lafont. Perry Gisclair and Chuckie Cheramie were absent. The committee also met on February 9, 2009 at the Administration Building in Galliano. All members were present. The Commission then discussed items that were discussed at the committee meetings.

Commissioner Cheramie presented for the boards review the permit applications by Ascent Energy, Inc.; Superior Shipyard, Inc.; International Boat Rentals; and Bayou Blues Holding, LLC. President Griffin reminded the administration to contact the ethics board to discuss the board's concerns of reviewing permits.

Construction & Development Committee - Chairman Bruce reported that the committee met on January 28, 2009 at the Operations Building in Fourchon. Present were Ervin Bruce, Larry Griffin, Donald Vizier, and John Melancon. The committee also met on February 9, 2009 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 Ervin Bruce and second by Chuckie Cheramie, the board unanimously approved the low bid of \$330,435.00 by ASMI for the Localizer project at the Airport.

Upon motion by Ervin Bruce and second by Jimmy Lafont, the board unanimously approved Change Order No. 1 by Phylway Construction in the amount of \$97,408.80 an overrun for the additional material needed for the Parallel Taxiway Site Prep project.

Upon motion by Jimmy Guidry and second by John Melancon, the board unanimously approved the Substantial Completion Certificate dated December 4, 2008 by Phylway Construction for the Parallel Taxiway Site Prep project.

Finance Committee - Chairman Melancon reported that the committee met on January 28, 2009 at the Operations Building in Fourchon. Present were John Melancon, Jimmy Guidry, and Larry Griffin. Wilbert Collins was absent. The committee also met on February 9, 2009 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 Wilbert Collins, the board unanimously approved payment of the January invoices and recognized expenditures over \$10,000.

Upon motion by John Melancon and second by Ervin Bruce, the board unanimously approved the December 2008 financial statement.

Upon motion by John Melancon and second by Wilbert Collins, the board unanimously approved the out of state travel requests by Jason Duet to attend the FAA SW Region Spring Conference on March 9th in Texas, and Chett Chiasson and Ted Falgout to travel to Washington and attend the AAPA Spring Conference on March 22nd.

President Griffin opened the floor for any other business. Commissioner Gisclair questioned the arrest report regarding illegal cards, which Chief Callais reported that it is an ongoing investigation but there were illegal TWIC cards detected by a Southern Guard employee. Commissioner Melancon questioned the recent inspection of vessels in the Port, which Chief Callais reported that US Customs did "operations rough neck" to target several vessels looking for illegal immigrants and drugs which resulted in 10 arrests for the 2 day event with over 50 vessels boarded.

President Griffin recognized Mr. Dufrene with Southern Guard and complimented his employees for doing a good job.

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

ATTEST:


Larry Griffin, President


Wilbert Collins, Secretary