

GREATER LAFOURCHE PORT COMMISSION

AGENDA

December 12, 2018 at 10:30AM

Administration Office • 16829 East Main St • Cut Off, LA 70345

(Revised: December 7, 2018 at 3:20PM)

- I. Call to Order
- II. Pledge of Allegiance
- III. Roll Call
- IV. Approve minutes for November 15, 2018 regular meeting
- V. Executive Director's Report
 - A. Northern Expansion
 1. Northern Expansion Slip C 1671' East Bulkhead (*Picciola & Associates*)
 2. Northern Expansion Slip C 1671' East Sweep Dredging (*Picciola & Associates*)
 3. Mitigation Dredge of Slip D (*J. Wayne Plaisance*)
 - B. Airport Projects
 1. Aircraft Operations
 2. Airfield Drainage Improvements – Design Phase (*Duplantis Design Group*)
 3. Runway Approach Easement (RPZ)
 4. Airport Access Road Culvert Improvements (*Picciola & Associates*)
 5. LA 308 Airport Access Improvements - LPG (*Picciola & Associates*)
 - C. Other Projects
 1. Section 203 Feasibility Study (*GIS Engineering*)
 2. LA 1 Phase 2 Leeville Mitigation Dredge (*Angelette-Picciola*)
 3. Fourchon Island Soil Borings (*Angelette-Picciola*)
 4. Nerby Collins Marina Boat Lift Extension (*J. Wayne Plaisance*)
 5. Public Boat Launch Bulkhead Repairs (*J. Wayne Plaisance*)
 6. CCTV Slip B Camera and Equipment
 7. Belle Pass Structure Repairs
- VI. Update from LA 1 Coalition
- VII. Public Comment
- VIII. Committee Reports
 - A. Executive Committee
 1. Consider approving an extension to the Executive Director's contract
 2. Consider approving the request from Nabors Offshore to assign lease to Crosby Tugs site GLF347
 3. Consider approving the LOOP pipeline servitude on Airport property
 - B. Construction and Development Committee
 1. Consider approving the Change Order No. 1 from Crosby Dredging for the Slip C 1671' East Bulkhead project
 2. Consider accepting the Clear Lien Certificate from Crosby Dredging for the Mitigation Dredge of Slip D
 - C. Finance Committee
 1. Consider approving payment of November 2018 invoices and recognize expenditures over \$10,000
 2. Consider approving the November 2018 unaudited financial statements
 3. Consider approving the out of state travel requests
 4. Consider approving the 2019 Budget
 5. Consider approving the LaPorte audit engagement agreement
- IX. Any Other Business
- X. Public Comment
- XI. Adjournment

*Serena L. Bruce, Legal/Projects Assistant
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OFFICIAL PROCEEDINGS OF THE GREATER LAFOURCHE PORT COMMISSION
December 12, 2018

The Board of Commissioners of the Greater Lafourche Port Commission met in regular session on Wednesday, December 12, 2018 at 10:30AM at the Administration Office 16829 East Main Street, Cut Off, LA 70345.

Vice President Kris Gaudet called the meeting to order and Secretary Cheramie then called roll.

ATTENDED: Chuckie Cheramie, Kris Gaudet, Rodney Gisclair, Curtis Pierce, Larry Griffin, John Melancon, Jr., Jimmy Guidry, and Randy Adams

ABSENT: Perry Gisclair

Upon motion by Adams second by Griffin, with no public comment, the board unanimously approved the minutes for November 15, 2018 regular meeting.

Executive Director's Report

Executive Director Chett Chiasson stated President Gisclair is having surgery today, please keep him in your prayers.

Northern Expansion - Engineer Joe Picciola reported Crosby Dredging is complete with Slip C 1671' East Bulkhead project. There is a change order for approval a deduct of \$97,998 and adding 3 days to the contract time. Chiasson reported the total project cost is \$11,144,395.95 with \$9.2 million funded by DOTD. Engineer Joe Picciola reported the notice to proceed was issued to Magnolia Dredge & Dock on November 5th to begin the Slip C 1671' East Sweep Dredging. They are currently 40% complete. Melancon questioned if they are working 24/7, which Picciola replied yes. They should meet the completion date. Engineer John Plaisance reported the Mitigation Dredge of Slip D is complete with the clear lien and final payment on the agenda. Chiasson stated the total project cost is \$1,648,392.44 which is Port funded.

Airport Projects – Airport Manager Richard Osborne reported in November the aircraft operations were 2,355, with 11,382 passengers, and 18,121 vehicles. Osborne stated we have a meeting with DDG tomorrow to discuss the design of the Airfield Drainage Improvements. Osborne has submitted information to FAA for their review regarding the Runway Approach Easement (RPZ). Engineer Joe Picciola reported Byron E. Talbot is in the process of ordering materials for the Airport Access Road Culvert Improvements. He stated once the concrete box culverts come in we will issue the notice to proceed which we expect in early January. Engineer Joe Picciola reported on LA 308 Airport Access Improvements, Beverly Construction started on November 12th excavating the road and putting in embankment. There are some slight traffic delays.

Other Projects – Dustin Malbrough with GIS Engineering reported on the Section 203 Feasibility Study, the Independent External Pier Review (IEPR) report is coming to an end. The panel found 9 of the 10 responses acceptable and gave us bonus feedback to resolve final issues. This week we plan to issue the final report once we respond to all the comments. Then we will package it up and send to the ASA office in January. Chiasson stated last week the Corps' District Division from New Orleans and Vicksburg and a representative from the ASA's office was here touring the Port. Engineer Larry Picciola reported on the LA 1 Phase 2 Leeville Mitigation Dredge, Magnolia Dredge & Dock is on site repairing the damage to the marsh and should be complete today. We will then meet with DNR and Conoco Philips to determine if the repair is satisfactory. Magnolia will then move to the site near the 2 wells in the East/West Canal to repair some damages. They should be complete in a week. Engineer Larry Picciola reported the Fourchon Island Soil Borings are complete and they are reviewing the preliminary data. Engineer John Plaisance reported on the Nerby Collins Marina Boat Lift Extension, Gulf Island Services is on site driving piles. Engineer John Plaisance reported on the Public Boat

Launch Bulkhead Repairs, Plaisance Dragline & Dredge has not mobilized on site yet. Davie Breaux reported on two other projects at the Public Boat Launch. The Port is getting quotes to wrap and encapsulate the piles under the 4 wharves at launch area. The other project is getting quotes to replace sills and piles for the wharves along the canal. John Crochet reported on the CCTV Slip B Camera and Equipment project, we are receiving the equipment and meeting with the tenants. Davie Breaux reported on the Belle Pass Structure Repairs, he is working on the final detail to get quotes to remove the existing equipment and renovate the steps and handrails.

Update from LA 1 Coalition – Director Chiasson reported the LA 1 Coalition is continuing to work on a funding plan for the build-out of Phase II which will involve state funds, federal funds, and industry participation. Relative to LA 1 traffic, it is flat with last year’s numbers over the last three months. There was a slight increase of traffic in October, but slight decreases in September and November.

Chiasson then recognized Thad Angeloz our new Communications and Grants Manager and announced the launch of a new Facebook and Twitter post daily for weather information in Port Fourchon compliments of the coordination with WWL Carl Arredondo.

Vice President Gaudet opened the floor for public comment. Chiasson recognized the US Coast Guard officers in the audience. Lt. McCombs introduced herself stating this is her first Port Commission meeting.

Committee Reports

Executive Committee - The committee met November 28th in Cut Off present were P. Gisclair, Melancon, Griffin, and Cheramie. They also met December 10th in Cut Off with all present.

Upon motion by Griffin second by Guidry, with no public comment, the board unanimously approved to extend the Executive Director’s contract until January 7, 2019.

Gaudet presented for the board to consider the request from Nabors Offshore to assign lease to Crosby Tugs site GLF347. General Counsel Bryce Autin stated the 2 outstanding issues are the bulkhead repairs and the rig needs to be removed. We will need Crosby and Nabors to submit a timeframe to complete the repairs to the bulkhead. Nabors will remain responsible with Crosby until the bulkhead is repaired and the rig is removed. We submitted our concerns yesterday, therefore we ask to approve the assignment subject to issues being resolved. Upon motion by Pierce second by Melancon, the floor was open to discussion. Adams questioned the target date, which Autin replied on or before March 31, 2019 to remove the rig and we asked them for a timeframe for the bulkhead repairs. Adams questioned if the rig is not removed, which Autin replied they would be in default of the lease and we would go through the termination process. R. Gisclair questioned how much bulkhead damage, which Chiasson replied the normal blasting and painting is needed. Melancon stated if they don’t comply the Port’s position is to take the lease and we will deal with the rig and bulkhead and they lose the lease. Adams stated we will need to inspect the bulkhead once the rig is removed. Guidry questioned how long the rig has been there, which Cheramie replied approximately 12 to 13 years. R. Gisclair stated there is probably a lot of settlement there, which Chiasson replied they are aware of that. With no further discussion or public comment, the board voted which resulted in 8 yeas and 1 absent by P. Gisclair.

Upon motion by Cheramie second by R. Gisclair, with no public comment, the board unanimously approved the LOOP pipeline servitude on Airport property. Bryce Autin mentioned this servitude is due to some concerns the Port had which LOOP accommodated.

Gaudet acknowledged there are no items to be discussed under the Permits and Waterways Committee.

Construction and Development Committee - The committee met November 28th in Cut Off present were Griffin, R. Gisclair, Adams, and P. Gisclair. They also met December 10th in Cut Off with all present.

Upon motion by Adams second by Guidry, with no public comment, the board unanimously approved Change Order No. 1 from Crosby Dredging for the Slip C 1671’ East Bulkhead project a decrease of \$97,998 and an additional 3 days to the contract time.

Upon motion by Pierce second by Adams, with no public comment, the board unanimously accepted the Clear Lien Certificate from Crosby Dredging for the Mitigation Dredge of Slip D.

Finance Committee - The committee met November 28th in Cut Off present were Melancon, Gaudet, Guidry, and P. Gisclair. They also met December 10th in Cut Off with all present.

Upon motion by Melancon second by Pierce, with no public comment, the board unanimously approved payment of November 2018 invoices and recognized expenditures over \$10,000 which total \$1,762,512.89.

Upon motion by Melancon second by Guidry, with no public comment, the board unanimously approved the November 2018 unaudited financial statements.

Upon motion by Melancon second by Adams, with no public comment, the board unanimously approved the out of state travel requests from Scott Bynum to attend the Contemporary Legal Issues & Supervisory Liability Training in Mississippi December 16th – 18th, Brook Angelette to attend the RCTA Gracie Survival Tactics Course in Mississippi January 28th – 31st, and Chett Chiasson, Thad Angeloz, and Commissioners TBD to attend the Deepwater Topside, Platforms, & Hulls Conference in Texas February 5th – 8th.

Melancon presented for the board's consideration approving the 2019 Budget. Finance Director Miranda Parker presented the highlights of the budget. The Port revenues of \$29.1 million less direct cost of \$9 million, equals gross profit of \$20.1 million, less operating expense of \$14.9 million equals operating profit of \$5.1 million, plus non-operating revenues of \$13 million, equals net income of \$19 million for the year. She then explained the layout of the budget as follows: Page 2 summary of capital assets, Page 3 each departments revenues and expenses in detail, Page 4 breakdown of capital projects.

Chiasson then presented highlights of the proposed projects and purchases for 2019 as follows: Seaport projects are dredging the section of Bayou Lafourche north of C-Port 1 to Flotation Canal \$1.6 million, the completion of Nerby Collins Marina Boat Lift, the completion of the 1671' Sweep Dredging, Slip C 1500' East Bulkhead \$10.8 million with \$8.7 million funded by DOTD, the associated 1500' Sweep Dredge project \$1.1 million with \$950,000 funded by DOTD. Other projects are completion of the Section 203 Feasibility Study, Highway Embankment and Bayou Cleanup \$100,000 each, mitigation and fill areas, Minor Chermie Sr. Road Paving \$2.3 million with \$1.7 million funded by Capital Outlay, work on the Connector Road between Adam Ted Gisclair and Minor Chermie Sr. Road, planting in the mitigation areas, completion of the Public Boat Launch bulkhead and Pavilion Awning, designs for Fourchon Island, dredging Flotation Canal and Slip D, and repairs to the geotubes on Fourchon Beach. We plan to purchase 4 new vehicles and rotate the older vehicles. Airport projects are the Airport Terminal Design \$200,000, Airfield Drainage Improvements \$266,000 funded by FAA and DOTD, and the Airport Access Road Culvert Improvements of \$453,417. Parker stated we expect to receive \$3.8 million of Ad Valorem Tax Revenue which is less than last year. Parker stated the expected 2019 beginning cash of \$104 million, plus the net income of \$19 million, plus the depreciation expense of \$7.8 million, less capital assets of \$907,000, less capital assets and deferred revenues \$24.6 million, equals an ending cash of \$91.9 million, less the future Fourchon Island project of \$50 million, equals an ending cash of \$41.9 million. The overall operating budget \$23,991,031, capital budget \$32,594,183, and non-operating budget \$5,329,261 totals the 2019 Budget of \$61,914,475. Upon motion by Melancon second by Griffin, with no public comment, the board unanimously approved the 2019 Budget in the amount of \$61,914,475.

Upon motion by Melancon second by Chermie, no public comment, the board unanimously approved the LaPorte audit engagement agreement for 2018.

Gaudet opened the floor for any other business. Chiasson recognized this being the last meeting for 3 of the board members and presented them with certificates of appreciation to Jimmy Guidry who served 12 years, Kris Gaudet served 6 years, and Randy Adams served the past few months. Chiasson then read a statement from President Gisclair, "Although I am not able to be here today for the last board meeting of the year and the last of this board's term, I would like to take the opportunity to express my heartfelt thanks to a few special people. First, I would like to thank our Executive Director Chett Chiasson and the port commission staff for all the great work that you have done. Every day you represent our port, our airport, and our commission with dedication and purpose, and I am thankful to work with such a strong team. Second, I would like to thank our outgoing commissioners for their

service and leadership. Mr. Randy Adams, it has been a pleasure working with you over the last few months. You did Mr. Vin proud during your time in his esteemed seat. Mr. Kris Gaudet, it has also been a pleasure working with you over the last six years, and I am thankful for your insights and your interest in serving our community. Mr. Jimmy Guidry, it has been an honor to work with you over the last decade plus. Thank you for your service and your input to this commission, and I wish you the best in your retirement. Finally, to our incoming commissioners for the 2019-2024 term, thank you for choosing to be part of our Greater Lafourche Port Commission family. I look forward to working with you all, and with projects like utilizing the \$16 million BUILD Grant to improve access to the South Lafourche Airport, Fourchon Island development, the Fourchon LNG project, and the push for a deeper draft into Port Fourchon, I think we will have a very prosperous new year. I appreciate all of you, and I thank everyone who has worked hard with me, this commission, and the people of the 10th ward to make our community a better place with a brighter future. Merry Christmas and Happy New Year to you all.”

Chiasson then presented the certificate to Jimmy Guidry who stated his time with the Port Commission goes back 20 years as a Harbor Police Officer then 12 years as a Commissioner. He stated he was able to know the staff better while being a Commissioner and realized how great a team we have. He thanked the staff and the board. Chiasson then presented the certificate to Kris Gaudet who expressed his thanks and gratitude to the commissioners and staff it has been an honor and privilege to be elected to public office. He is grateful to the community that elected him to be part of this Port Commission one of the most important organizations to our community, state, and nation. He will continue to serve this community. He thanked the board and staff for all the work done. Chiasson then presented the certificate to Randy Adams who thanked the board and Chett for appointing him. He stated he has been involved with the Port Commission for many years, but it has been a learning experience of behind the scenes of what keeps the Port running. For new commissioners, this is really a second job. For the people of 10th ward, you can entrust the Airport and Port to a finer group of people with the staff, commissioners and director. He thanked the board for the honor and privilege of being on the board.

Gaudet opened the floor for public comment. R. Gisclair recognized the efforts of Harbor Police Officer Scott Bynum who was getting off work and came across a 92-year old man in Port who was disoriented and lost his way. Officer Bynum brought him to Galliano to find his family. R. Gisclair thanked Officer Bynum for going above and beyond.

Each Commissioner then wished everyone a Merry Christmas and a prosperous New Year. Chiasson thanked the board on behalf of himself and the staff, we work hard to make the board and our community proud. We also thank the tenants who stuck with us and we appreciate working with them. We look forward to another year of moving things forward to better our community.

Upon motion by Cheramie second by R. Gisclair, the board adjourned at 11:28AM.

ATTEST:



Perry Gisclair, President



Harris "Chuckie" Cheramie, Jr., Secretary