

GREATER LAFOURCHE PORT COMMISSION

AGENDA

January 10, 2018 at 10:30 AM

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

(Revised: January 9, 2018 at 9:20AM)

- I. Call to Order
- II. Pledge of Allegiance
- III. Roll Call
- IV. Consider approval of minutes for December 13, 2017 regular meeting
- V. Executive Director's Report
 - A. Northern Expansion
 - 1. Northern Expansion Slip C 950' West Sweep Dredging (*Angelette-Picciola*)
 - 2. Northern Expansion GLF625 Site Improvements (*Angelette-Picciola*)
 - 3. Northern Expansion Slip C 939' West Bulkhead (*Angelette-Picciola*)
 - 4. Northern Expansion Slip C 1671' East Bulkhead (*Picciola & Associates*)
 - 5. Mitigation Dredge of Slip D (*J. Wayne Plaisance*)
 - B. Airport Projects
 - 1. Aircraft operations
 - 2. Taxiway Lighting and Runway LED upgrades (*Duplantis Design Group*)
 - 3. LOOP brine line replacement
 - C. Other Projects
 - 1. Section 203 Feasibility Study (*GIS Engineering*)
 - 2. LA 308 Airport Access Improvements (*Picciola & Associates*)
 - 3. LA 1 Phase 2 Leeville Mitigation Dredge (*Angelette-Picciola*)
 - 4. Fourchon Bridge removal project (*Picciola & Associates*)
 - D. Update from LA 1 Coalition
- VI. Public Comment
- VII. Committee Reports
 - A. Executive Committee
 - 1. Consider approving the property damage release form for August 28, 2015 motor vehicle accident
 - 2. Consider approving the Cooperative Endeavor Agreement with South Louisiana Economic Council in support of SLEC/ROR/LA 1 Coalition
 - 3. Consider approving the Amendment of Lease with OMNI Energy Services Corp. for site GLF625
 - 4. Consider approving the request from Rowan Marine to sublease a portion of property on site GLF401 to C-Port
 - B. Construction & Development Committee
 - 1. Consider approving the lowest responsive bid for 2018 Fuel Service
 - 2. Consider approving the lowest responsive bid for 2018 Construction Materials
 - 3. Consider accepting the Clear Lien Certificate from RLB Contracting for Slip C 950 LF West Sweep Dredge project
 - C. Finance Committee
 - 1. Consider approving payment of December 2017 invoices and recognize expenditures over \$10,000
 - 2. Consider approving the out of state travel requests
- VIII. Any Other Business
- IX. Public Comment
- X. Adjournment

*Serena L. Bruce, Legal/Projects Assistant
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OFFICIAL PROCEEDINGS OF THE GREATER LAFOURCHE PORT COMMISSION
January 10, 2018

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

President P. Gisclair called the meeting to order and Secretary Cheramie called roll.

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

ABSENT: None

Upon motion by Melancon second by Guidry, with no public comment, the board unanimously approved the minutes for December 13, 2017 regular meeting.

Executive Director's Report

Northern Expansion – Engineer Larry Picciola reported RLB Contracting completed the Slip C 950 LF West Sweep Dredge with the clear lien later to consider. Engineer Picciola reported Sealevel Construction has completed the GLF625 Site Improvements and is in the lien period which ends February 18th. Davie Breaux reported Gibson is on site paying rent and utilizing the bulkhead and constructing buildings. Engineer Picciola reported Sealevel Construction has installed 8 of the 15 deadman for the Slip C 939 LF West Bulkhead project. The waler beams and bumper pipe brackets are welded in place. Sealevel will start bringing in light weight aggregate in the next 2-3 weeks. With the current rain days, the new completion date is April 22nd. Engineer Joe Picciola reported Crosby Dredging is on site excavating for deadman for Slip C 1671 LF East Bulkhead. They are driving piles and expect to drive 12 – 15 a day. The blasting and coating of steel sheets are being done in Alabama and Texas and expected to be delivered in the next couple months. Engineer John Plaisance reported Crosby Dredging is making good progress to fill Rappelet's Pond area for Mitigation Dredge of Slip D. In response to some social media comments, Chiasson stated this is a mitigation project creating over 90 acres of marsh elevation for this Slip D project. Folks traveling to Fourchon will see elevated sections along LA3090 which is 30 acres created as part of the permitted development. The rest of the pond is over 90 acres of mitigation. We were only mandated for 60 acres of mitigation but we are doing over 90 acres. We are doing what we are supposed to do and we are good stewards to the environment. It will be useful to the public when complete. D. Breaux stated that it is one of the first permitted mitigation areas to have a recreational component since we are doing a tidal creek large enough for the public to kayak, fish, or bird watch. Chiasson stated the Port has been applauded by environmental agencies for this work. Melancon stated this area will be for non-commercial use and strictly for mitigation and recreation, which Chiasson replied there is a small portion along the outer layout that is eligible for development if necessary but the 90 acres will be solely for marsh creation. Gaudet questioned if the excess mitigation work counts toward future mitigation needed, which Chiasson replied no this was part of the exchange from moving from the mitigation area north of Flotation Canal to this area.

Airport Projects – R. Osborne reported in December the aircraft operations were 2,134 with 8,093 passengers and 4,078 vehicles. The yearend totals are 29,100 operations, 113,475 passengers, and 86,962 vehicles which is a slight increase from 2016. Regarding the Taxiway Lighting and Runway LED upgrades, Sun Industries is on site forming up concrete bases for conduit and lights. The LOOP brine line replacement project is complete. A final inspection is scheduled for today. The contractor is expected to be off site next week.

Other Projects – Mohan Menon with GIS Engineering reported on the Section 203 Feasibility Study. The economics report will be complete in a month. The Geotech notice to proceed was issued and will complete the work in 60 days. We did meet with the Water Institute on the disposal plan and we are scheduling weekly conference calls for progress updates. We continue to discuss with the environmental agencies the requirements for the EIS and estimate the draft EIS to be released by March 15th for a 45-day public review period. Once all comments are reviewed, we expect the final EIS and Feasibility Report to be sent to the Corps ASA office by June 2018. Chiasson reminded the board that in 2 weeks we will be in DC to meet with these federal agencies to discuss this upcoming report. Engineer Joe Picciola reported the plans are complete for the LA 308 Airport Access Improvements. We are waiting for the Parish to approve the right of way agreements with the Port and Water District which was introduced at last night's meeting. Once those are finalized, we will be ready to go out for bid. Chiasson questioned when can we anticipate the Parish to approve, which Picciola replied at their next meeting. It will then take time to process and bid out so we should be starting construction in April/May 2018. Engineer Larry Picciola reported the preconstruction meeting with Magnolia Dredge is set for tomorrow and the notice to proceed is issued for Monday to start the LA 1 Phase 2 Leeville Mitigation Dredge project. Magnolia already has stakes installed and we expect it won't be long before they start dredging. All they need to do is close a few small gaps before dredging. Chiasson stated our project will be complete before the state moves in, which Picciola replied yes. Engineer Joe Picciola reported the Parish awarded the contract for the removal of the Fourchon Bridge to Tidewater Dock for \$287,500. They should be on site within 30-45 days.

Update from LA 1 Coalition – Henri Boulet reported Segment E of the LA 1 Project remains on track for construction starting this Spring. DOTD is working with James Construction Group toward executing the construction contract by mid-March. The Coalition is hopeful that the Trump Administration will award INFRA grant funds to the project in the coming weeks, and we are working in advance with supporters on how best to secure remaining funds that would be needed to complete the project. Besides the pending INFRA application for LA 1, we are awaiting release from the White House on details on the President's national infrastructure program. Whether LA 1 is awarded money through these programs, we will have to work diligently with the state and others on needed matching funds.

President P. Gisclair opened the floor for public comment. Katie Deroche with Gulf Economic Survival Team (GEST) announced the release of the 2019 – 2024 National Outer Continental Shelf Oil (OCS) and Gas Leasing Draft Proposed Program. The draft states it considers 90% of OCS whereas 94% is off limits right now. The areas included are lease sales in the Alaska region, Pacific region, and Atlantic region. She stated yesterday the Dept. of Interior Ryan Zinke is taking back considering the Florida Gulf and Florida's Atlantic coast so those regions are off limits. There is a public meeting with BOEM on January 22nd in Baton Rouge for input. Currently there is a 60-day comment period which ends March 9th. ROR will be drafting letters and is available to assist the Port. Andrew Martin addressed the board regarding the Airport Corridor Road. He believes that something else needs to be done besides going to the Parish. The road was brought to the Parish in August and in September the Port gave a presentation. Martin also attended a later meeting to bring the 3 appraisals that he had in his files but the Parish still voted it down. The next meeting Councilman Lorraine brought it up again but it didn't get a second. There is a battle going on in the council so he doesn't believe this will be voted on. It has nothing to do with the actual project but it was the wrong time because the councilmen are at odds with each other. He is available to meet with the Port but he doesn't want to be the beating post in the middle with the Parish.

Committee Reports

Executive Committee - The committee met January 8th in Cut Off present was P. Gisclair, Griffin, Melancon, and Cheramie.

Upon motion by R. Gisclair second by Bruce, with no public comment, the board unanimously approved the property damage release form for August 28, 2015 motor vehicle accident.

President Gisclair presented for the board's approval the Cooperative Endeavor Agreement with South Louisiana Economic Council (SLEC) in support of SLEC, Restore or Retreat (ROR), and LA 1 Coalition. Director Chiasson then explained the Port and SLEC are desirous of fostering community and

economic growth and prosperity within the Parish of Lafourche and the Bayou Region by instituting successful coastal restoration and infrastructure improvement plans. SLEC shall assist the Port with its economic development, infrastructure improvement, and coastal restoration needs, and more specifically, SLEC shall be directly responsible for implementation of the following functions: employ an Executive Director and secretarial services for the LA 1 Coalition and shall be responsible for carrying out the goals and objectives of the Port and the Coalition; employ an Executive Director and secretarial services for ROR and shall be responsible for carrying out the goals and objectives of the Port and ROR; maintain a public-private economic development partnership between SLEC and the Port with the end result of advancing the improvement, in the broadest sense, of all Port activities; design and execution of an industrial retention and expansion program to encourage local manufacturing and service industry to utilize Port services; operation of an ongoing communications and promotions program for Port development activities in the Bayou Region; and provide the Port support information in its endeavors to obtain financial assistance. The agreement totals \$42,500 with \$10,000 to SLEC, \$10,000 to ROR, and \$22,500 to LA 1 Coalition. Upon motion by Griffin second by Melancon to approve the Cooperative Endeavor Agreement with SLEC, the floor was open for discussion. Vic Lafont with SLEC addressed the board. He stated in the past year he has been busy with the Port. The SLEC Business Barometer from January to November shows some improvement in job growth. Investments are up with 27 projects that represent \$38.9 million in new investments that will create 384 new jobs in 2018. Crude oil price is at \$68.68 per barrel and expected to average between \$60 to \$65 in 2018. Although prices are increasing to levels favorable to the oil industry, the threat of lawsuits in Louisiana dampen industry enthusiasm. However, with the President expanding offshore drilling that will open 90% of the nation's offshore reserves to development. A total of 47 leases are proposed between 2019 and 2024 with 12 in the Gulf. SLEC will be putting together the annual report and will come back to present to the board. P. Gisclair questioned if the lawsuits mentioned are the legacy lawsuits, which Lafont replied yes. The board then voted which resulted in all yeas to approve the Cooperative Endeavor Agreement with SLEC.

Upon motion by Pierce second by Gaudet, with no public comment, the board unanimously approved the Amendment of Lease with OMNI Energy Services Corp. for site GLF625 which acknowledges the commencement date and improvement rent of \$68,068.20.

Upon motion by Cheramie second by R. Gisclair, with no public comment, the board unanimously approved the request from Rowan Marine to sublease a portion of property on site GLF401 to C-Port.

Construction & Development Committee - The committee met January 8th in Cut Off present was Bruce, Griffin, P. Gisclair, and R. Gisclair.

Upon motion by Pierce second by R. Gisclair, with no public comment, the board unanimously accepted the low bid from Gaubert Oil Company for the yearly fuel supplier at a markup rate of \$0.265 for both gas and diesel delivered to Fourchon Warehouse and Cut Off Warehouse and accepted the low bid from Siarc Oil & Fuel for the yearly fuel supplier at a markup rate of \$.28 for diesel delivery to the Airport Maintenance Shop.

Upon motion by Bruce second by Guidry, with no public comment, the board unanimously accepted the lowest bids for the yearly construction materials with 18 items to Grand Isle Shipyard, 7 items to Arabie Trucking, and 7 items to Byron E. Talbot Contractors.

Upon motion by Melancon second by Griffin, with no public comment, the board unanimously accepted the Clear Lien Certificate from RLB Contracting for Slip C 950 LF West Sweep Dredge project.

Finance Committee - The committee met January 8th in Cut Off present was Melancon, Guidry, P. Gisclair, with Gaudet absent.

Upon motion by Melancon second by Griffin, with no public comment, the board unanimously approved payment of December 2017 invoices and recognized expenditures over \$10,000 which total \$1,535,965.30.

Upon motion by Melancon second by Bruce, with no public comment, the board unanimously approved the out of state travel requests from Chett Chiasson, Joni Tuck, Chuckie Cheramie, John Melancon, Rodney Gisclair, Kris Gaudet, and Curtis Pierce to attend the Louisiana Alive Event &

Meetings in DC January 23rd – 26th, April Danos to attend the AAPA Smart Ports Program in California March 5th – 8th, and Chett Chiasson to attend the AAPA HMT Reform Policy Meeting in DC January 16th – 17th.

President P. Gisclair opened the floor for any other business. P. Gisclair requested an update on the LNG Facility. Joni Tuck stated we are in contact with the project developer Graham Elliot and they are moving forward with the permit process replying to comments by FERC and other entities. Some of the comments are about doing geotechnical work which they have engaged a Louisiana firm and they will get the permit for soil borings. We are coordinating with them on the timing for our work as well. While we are in DC, Graham Elliot will be there as well to attend meetings with FERC and environmental consultants to keep moving forward. Tuck stated they also need to run vessel simulations to fit in the Waterway Suitability Assessment which they recently presented the data to a firm to run those simulations which will take 90 days. Once the assessment is done, we will present to Port users, tenants, and USCG and that process can move forward as well. Upon motion by Cheramie second by Melancon, the board added the discussion of the LNG Facility on the agenda which resulted in 9 years. Cheramie questioned the permit time and when can we see construction, which Tuck replied it will be 2 years before construction. It will seem like nothing is going on right now while the permit process is ongoing. Melancon requested for the public to know what FERC is, which Tuck replied the Federal Energy Regulatory Commission. They have a project manager that has been on the site twice and attended the public hearings and open house. Vic Lafont stated SLEC's role in this is to coordinate the business incentive package for Energy World and the LNG project and to serve as vendor manager to coordinate the workers to make sure our firms have an opportunity. He stated there is a website set up if interested in future work bayouregion.com/FourchonLNG or call SLEC. Melancon questioned the amount of jobs, which Tuck replied it is estimated to be 1200 construction jobs and 50-100 full time long term positions. There is a lot of opportunity there. P. Gisclair requested an update every few months.

President P. Gisclair opened the floor for public comment. Andrew Martin questioned how this area was chosen for the LNG project, which Chiasson replied when they were researching the entire gulf coast, they isolated this area as the best central location in the Gulf of Mexico and it is not a Port with a lot of people living in the vicinity since it is an industrial facility, and we have the pipeline corridor in the area. It fit in everything they were looking for in a location for this size of this project. This is not the \$20 million tons facility, this is a \$2 million - \$5 million tons per annum facility. Martin questioned if there will be any tax credits, which Chiasson replied there is nothing at this point but it is in the conversation. They know they have to pay taxes.

Upon motion by Cheramie second by R. Gisclair, the board adjourned at 11:23AM.

ATTEST:



Perry Gisclair, President



Harris "Chuckie" Cheramie, Jr., Secretary