



NOTICE OF PUBLIC HEARING/MEETING

(Posted: May 3, 2019 at 2:30PM)

1. A **PUBLIC HEARING** will be held as follows:

Date: May 8, 2019

Time: 10:30 AM

Place: Greater Lafourche Port Commission Administration Office, 16829 East Main, Cut Off, LA 70345

- a. Public Hearing will be held to consider levying increased millage rate after reassessment and rolling forward millage rate not exceeding the prior year's maximum rate.
- b. Close Public Hearing; Adjourn.

2. A **PUBLIC MEETING** will be held as follows:

Date: May 8, 2019

Time: Immediately following the 10:30 AM Public Hearing

Place: Greater Lafourche Port Commission Administration Office, 16829 East Main, Cut Off, LA 70345

AGENDA

I. Call to Order

II. Pledge of Allegiance

III. Roll Call

IV. Approve minutes for April 17, 2019 regular meeting

V. Executive Director's Report

A. Northern Expansion

1. Northern Expansion Slip C 400' East Part 2 Bulkhead (*Picciola & Associates*)
2. Minor Chermie Sr. Road Paving (*Angelette-Picciola*)

B. Airport Projects

1. Aircraft Operations
2. Airfield Drainage Improvements – Design Phase (*Duplantis Design Group*)
3. Runway Approach Easement (RPZ)
4. Airport Road Culvert Improvements (*Picciola & Associates*)

C. Other Projects

1. SLLD – LA 1 Re-Alignment and Flood Wall (*Picciola & Associates*)
2. Section 203 Feasibility Study (*GIS Engineering*)
3. Public Boat Launch Pavilion Bulkhead Repairs (*GIS Engineering*)
4. CCTV Slip B Camera and Equipment
5. Belle Pass Tower Upgrades

VI. Davenport Presentation

VII. Public Comment

VIII. Committee Reports

A. Executive Committee

1. Consider approving the Third Amendment to Lease with Caillouet Land for site GLF306
2. Consider approving the Lease Agreement with Allain-Lebreton Company at the Airport
3. Consider approving the Servitude Agreement with Allain-Lebreton Company at the Airport for the RPZ area
4. Consider approving the revised Sexual Harassment Policy and Complaint Procedures
5. Consider approving the Investment Policy revision
6. Consider approving the request from Global Towing to extend the Mooring Dolphin Lease
7. Consider approving the Cooperative Endeavor Agreement with Fourchon Oilmen's Association
8. Consider approving the Cooperative Endeavor Agreement for the Golden Meadow-Fourchon Tarpon Rodeo
9. Consider hiring summer roustabout positions

B. Permits and Waterways Committee

1. Review permit applications from GLPC (3), Grand Isle Independent Levee District, Talos Energy Offshore, LLC, Fugro USA Marine, and DOTD

C. Construction and Development Committee

1. Consider approving Change Order No. 1 from Byron E. Talbot Contractor for the Airport Road Culvert Improvements
2. Consider accepting the Clear Lien Certificate from Plaisance Dragline & Dredging for the Public Boat Launch Pavilion Bulkhead Replacement

D. Finance Committee

1. Consider approving payment of April 2019 invoices and recognize expenditures over \$10,000
2. Adopt the adjusted millage rate for the tax year 2019
3. Set forth the adjusted millage rate and roll forward to millage rate not exceeding the maximum authorized rate for the tax year 2019
4. Consider approving the out of state travel requests

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
May 8, 2019

The Board of Commissioners of the Greater Lafourche Port Commission opened the meeting at the Administration Office 16829 East Main Street, Cut Off, LA 70345 with the scheduled Public Hearing to consider levying increased millage rate after reassessment and rolling forward millage rate not exceeding the prior year's maximum rate. Mr. Rodney Doucet addressed the board stating that after reading the notice he wanted to come and express his personal feelings. He stated it should go to the voters no matter what. He stated the millage was put in to start Fourchon. He believes our forefathers put it there for sooner or later it would go away. He is here today to say it should go away. He understands the millage is used to borrow or bond money for Fourchon, but it is hard for him to believe with all the buildings and everything in Fourchon that all that must be assets and worth something. With the additions coming with a new bridge, slips for rigs, 50' depths, widening channels, and LNG, the millage should go away. The people that have been paying the millage is all the people down here, right? Executive Director Chett Chiasson replied the Tenth Ward. Doucet stated the people of the Tenth Ward have been paying millage for Port Fourchon, Road Sales Tax District 2, Drainage, Levees, and we continue to pay. He stated 63% of the Parish's budget comes from the Tenth Ward. Doucet is asking the board for this increased millage to go away. If not, put it to the voters and let the voters of Tenth Ward decide because of the investment they have made in Fourchon. We say we are the greatest Port in the world, it all comes thru Fourchon all the services for drilling and deepwater. He is not complaining about the Port. It gave us money and jobs for our people. If it wouldn't be for the Port, we would have turned the lights off in 1986 and the two other times the oil industry shut down, but we survived. He stated 2 years ago didn't you drop the rent for the tenants due to the oil industry, which President Harris Chermie, Jr. replied yes. Doucet questioned if rent was increased back, which Chermie replied it will be decided at the end of this year for 2020. Doucet stated the Port's millage with the increase is \$4 million and questioned what that money is used for, which Chiasson replied ongoing operations, maintenance, and potential new projects. Doucet stated so the Port does not have enough revenue generated between the Airport and Fourchon to cover this millage.

Executive Director Chett Chiasson replied there are a lot of reasons for the millage. Later we will discuss a financial report, which will show the Port's capabilities for future development. He stated everything you mentioned earlier takes a lot of money. We have over \$350 million of investments that we need to attract new business you talked about and we don't have that money. We will have to bond out money to be able to do all that work. Doucet stated so we don't have enough assets in buildings and revenue to cover that \$4 million, which Chiasson replied no not enough to cover the potential bonding of \$100 million. Doucet questioned why we would want to increase or additional millage without the voter's approval. John Melancon, Jr. stated we are not increasing we are rolling forward up to our approved millage. Doucet then read the notice that was advertised, which Chiasson replied the verbiage published is mandated by the State. Chiasson stated there are 3 ways a millage is created: constitutional, statutory, or voter-approved. The Port Commission is statutory millage so when we were created in 1960 it was put in the legislation and then in 1961 it was voted on by the people. Once it was approved by the voters, it was a statutory millage which by law it is there for as long as the board wants it. In terms of raising the millage, we are not going above our authorized rate. We are currently at 6.54 mills and our authorized max that we could go up to is 6.83 mills. Doucet said without voter approval, Chiasson replied correct since we are statutory authorized. Doucet said he is not sure if this will ever go back to the voters of the Tenth Ward, but it needs to go away. With no other public comments, the public hearing was adjourned at 10:40AM.

The Board of Commissioners of the Greater Lafourche Port Commission met in regular session on Wednesday, May 8, 2019 at 10:30 AM at the Administration Office 16829 East Main Street, Cut Off, LA 70345 immediately following the public hearing.

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

ATTENDED: Harris Cheramie, Jr., Jimmy Lafont, Perry Gisclair, Rodney Gisclair, Curtis Pierce, John Melancon, Jr., Mike Callais, and Kris Callais

ABSENT: Larry Griffin

Upon motion by K. Callais second by P. Gisclair, with no public comment, the board unanimously approved the minutes for April 17, 2019 regular meeting.

Executive Director's Report

Northern Expansion – Engineer Joe Picciola reported Slip C 400' East Part 2 Bulkhead project is being advertised with bid opening May 9th at 2PM. Engineer Larry Picciola reported the preconstruction meeting with Byron E. Talbot Contractors for the Minor Cheramie Sr. Road Paving project is scheduled for May 14th. The contracts have been signed and we plan to issue the notice to proceed before the end of the month.

Airport Projects – Joe Wheeler our new Airport Director reported in April the aircraft operations were 2134, with 10,482 passengers and 15,183 vehicles. He stated we are waiting feedback from FAA to move forward with the Airfield Drainage Improvements project. Regarding the Runway Approach Easement, Bryce Autin reported we have on the agenda to consider the easement to clear trees that potentially will impact our approach area. Engineer Joe Picciola reported the Airport Road Culvert Improvements project is substantially complete and in the lien period. There is a balancing change order to consider a deduct of \$7,429.65, which recommendation is to approve.

Other Projects – Engineer Joe Picciola reported Byron E. Talbot Contractor is moving along with the embankment and roadwork for the South Lafourche Levee District's LA 1 Re-Alignment and Flood Wall. They drove steel sheet piles last week and driving H-piles this week. He stated next week they will move the crane out to start forming the concrete slab. Dustin Malbrough reported on the Section 203 Feasibility Study comment responses are complete and ready to send to the Corps' office. We are scheduled to be in DC next week to review comments and explain further our intentions to coexist with industry and environment as we move forward. Chiasson stated we are also planning another trip to DC in June to meet with the Assistant Secretary of the Army Corps. Engineer John Plaisance reported the Public Boat Launch Pavilion Bulkhead Repairs are complete with clear lien and retainage payment ready for approval. April Danos reported the CCTV Slip B Camera and Equipment project is scheduled to be complete by May 31st. We are currently in the design and engineering phase of the Belle Pass Tower Upgrades.

Davenport Presentation – Jimmy Sanderson reported Davenport was engaged to provide an independent review of the Port's capital plans and evaluate the Port's financial health. He stated over the past 6 months, Davenport has worked with the staff to review revenues and expenditures and to project future capital plans and prepare a financial forecast to evaluate impacts for different financial scenarios. The historic and projected revenues and expenses slide shows recent seaport operations have generated approximately \$15 million of net revenue. Net revenues will remain steady over the next decade. Net revenue provides the Port with financial flexibility and options to pay-go capital, grow net position, and afford future debt services. The future capital plans of dredging Belle Pass to 50' and Port to 30' (Scenario A) is estimated that the Port's share would be \$378 million. The other scenario of

dredging Belle Pass and the Port to 30' (Scenario B) is estimated that the Port's share would be \$307 million. He then presented the Scenario A projected financial results including debt services with \$50 million in 2023 and \$50 million in 2025 includes a 6% interest rate over 30-year payment structure. The overall capital funding sources show 74% of capital is funded from cash flow from operations and 26% from debt of \$100 million. The Port still will have debt service coverage which is the difference between your debt service expenses versus your revenues, and in this case the low point of two times coverage in net revenues are doubled of what your debt service would be each year, which is a very strong position to be in. We will recommend that the Port adopts policies in that regard. Davenport also recommended a proposed minimum policy of \$50 million in cash reserves. He then presented the summary of results for Scenario B projected financial debt services of \$50 million in 2023 includes a 6% interest rate over 30-year payment structure. Smaller project shows instead of two times coverage you now have four times coverage. The overall capital funding sources show 84% of capital and 16% of debt management of \$50 million. The Port is currently in a very sound financial position with strong annual net revenues and a healthy cash investment balance. The Port can take on these additional projects at the larger level or \$100 million and still stay within a strong financial position of two times debt service coverage and a minimum of \$50 million of reserves. In conclusion, we recommend the Port updates this report on an annual basis and adopt cash and investment policies which will all factor in on credit ratings in your future borrowing plans.

President Cheramie opened the floor for public comment. Ernest Boudreaux announced his candidacy for State Representative District No. 54. Joseph "Joe" Fertita announced his candidacy for Lafourche Parish President.

Committee Reports

Executive Committee - The committee met May 6th in Cut Off present were Cheramie, R. Gisclair, P. Gisclair, and Melancon.

Upon motion by Pierce second by M. Callais, with no public comment, the board unanimously approved the Third Amendment with Caillouet Land for site GLF306 to extend for one year.

Upon motion by R. Gisclair second by K. Callais, with no public comment, the board unanimously approved the Lease Agreement with Allain-Lebreton Company at the Airport of approximately 14 acres for non-development purposes.

Upon motion by Melancon second by Lafont, with no public comment, the board unanimously approved the Servitude Agreement with Allain-Lebreton Company at the Airport to remove trees and natural vegetation in accordance with height limitations in the Runway Approach Zone (RPZ) area just north of the runway.

Upon motion by P. Gisclair second by Pierce, with no public comment, the board unanimously approved the revised Sexual Harassment Policy and Complaint Procedures.

Upon motion by Lafont second by Melancon, with no public comment, the board unanimously approved the Cash, Investments, and Debt Management Policy revision.

Upon motion by R. Gisclair second by K. Callais, with no public comment, the board unanimously approved the request from Global Towing to extend the Mooring Dolphin Lease for an additional 4-year term.

Upon motion by Pierce second by Melancon, with no public comment, the board unanimously approved the Cooperative Endeavor Agreement with Fourchon Oilmen's Association for in kind services for the yearly event.

Upon motion by P. Gisclair second by M. Callais, with no public comment, the board unanimously approved the Cooperative Endeavor Agreement for the Golden Meadow-Fourchon Tarpon Rodeo for in kind services for the year event.

Chairman Cheramie presented hiring the 6 summer employees as follows: Ian Bourgeois and Beau Bruce selected as a leader from working the previous year, Baley Cheramie, Al Guidry, Jaydon

Cheramie, and Bret Pitre. The remaining applicants were pulled as alternates in the following order: Austin Cantrelle, Jacob Cuneo, Thomas Leblanc, Matt Bellanger, Brett Cheramie, Trevor Rebstock, Jace Fanguy, and Jake Galjour. Upon motion by P. Gisclair second by M. Callais, with no public comment, the board unanimously approved hiring the 6 summer employees.

Permits and Waterways Committee - The committee met May 6th in Cut Off present were P. Gisclair, Pierce, Lafont and Cheramie.

Chairman P. Gisclair presented for the board's review the permit applications from GLPC (3), Grand Isle Independent Levee District, Talos Energy Offshore, LLC, Fugro USA Marine, and DOTD.

Construction and Development Committee - The committee met May 6th in Cut Off present were Griffin, K. Callais, Lafont, and Cheramie.

Upon motion by K. Callais second by Pierce, with no public comment, the board unanimously approved Change Order No. 1 from Byron E. Talbot Contractor for the Airport Road Culvert Improvements to decrease the contract price by \$7,429.65 and add an additional 27 days to the contract time.

Upon motion by Lafont second by P. Gisclair, with no public comment, the board unanimously accepted the Clear Lien Certificate from Plaisance Dragline & Dredging for the Public Boat Launch Pavilion Bulkhead Replacement. Chiasson stated the total improvements cost \$102,027.50.

Finance Committee - The committee met May 6th in Cut Off present were Melancon, R. Gisclair, M. Callais, and Cheramie.

Upon motion by Melancon second by M. Callais, with no public comment, the board unanimously approved payment of April 2019 invoices and recognized expenditures over \$10,000 which totals \$969,067.79.

Chairman Melancon presented for the board to adopt the adjusted millage rate for the tax year 2019. Chiasson then read the resolution out loud: "*Be it resolved by the Greater Lafourche Port Commission of the Parish of Lafourche, Louisiana, in a public meeting held on May 8, 2019, which meeting was conducted in accordance with the Open Meetings Law and the additional requirements of Article VII, Section 23(C) of the Louisiana Constitution and R.S. 47:1705(B), that the following adjusted millage rates be and they are hereby levied upon the dollar of the assessed valuation of all property subject to ad valorem taxation within said Parish for the year 2019, for the purpose of raising revenue for maintenance at 6.54 mills; Be it further resolved that the Assessor of the Parish of Lafourche, shall extend upon the assessment roll for the year 2019 the taxes herein levied, and the tax collector of said Parish shall collect and remit the same to said taxing authority in accordance with law.*" Upon motion by Melancon to adopt the adjusted millage rate of 6.54 mills for the tax year 2019, which was second by R. Gisclair, with no public comment, the roll call vote resulted in 8 yeas by Cheramie, P. Gisclair, Lafont, R. Gisclair, Pierce, Melancon, K. Callais, M. Callais, and 1 absent by Griffin.

Chairman Melancon presented for the board to set forth the adjusted millage rate and roll forward to millage rate not exceeding the maximum authorized rate for the tax year 2019. Chiasson then read the resolution out loud: "*Be it resolved by the Greater Lafourche Port Commission of the Parish of Lafourche, Louisiana, in a public meeting held on May 8, 2019, which meeting was conducted in accordance with the Open Meetings Law and the additional requirements of Article VII, Section 23(C) of the Louisiana Constitution and R.S. 47:1705(B), that the taxing district voted to increase the millage rate(s), but not in excess of the prior year's maximum rate(s), on all taxable property shown on the official assessment roll for the year 2019, and when collected, the revenues from said taxes shall be used only for the specific purposes for which said taxes have been levied. Said millage rate(s) are for maintenance at the adjusted rate of 6.54 mills and the 2019 levy of 6.83 mills; Be it further resolved that the Assessor of the Parish of Lafourche, shall extend upon the assessment roll for the year 2019 the taxes herein levied, and the tax collector of said Parish shall collect and remit the same to said taxing authority in accordance with law.*" Upon motion by Pierce to set forth the adjusted rate of 6.54 and roll

forward to millage rate not exceeding the maximum authorized rate for the tax year 2019 and levy 6.83 mills, which was second by M. Callais, with no public comment, a roll call vote was taken needing two-thirds of the members to pass and the vote resulted in 8 yeas by Cheramie, P. Gisclair, Lafont, R. Gisclair, Pierce, Melancon, K. Callais, M. Callais, and 1 absent by Griffin.

Upon motion by Melancon second by M. Callais, with no public comment, the board unanimously approved the out of state travel requests by Chett Chiasson to attend AAPA CEO Interviews May 28th – May 30th in Illinois, Joe Wheeler to attend FAA Southwest Airports Conference in Texas June 9th – 12th, Joe Wheeler to attend American Association of Airport Executives in Massachusetts June 16th – 20th, and Chett Chiasson to attend meetings with the Corps ASA office in DC June 23rd – 26th.

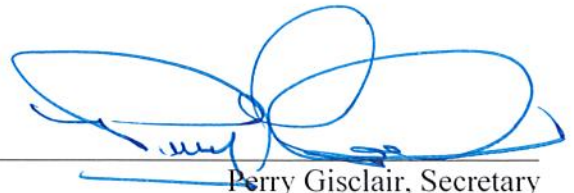
President Cheramie opened the floor for any public comment. P. Gisclair stated our forefathers that set up this Commission and went to Baton Rouge and set up this advalorem tax, I don't think they would be saying we need to take it off. I think they would be saying that this Port Commission and all Commissioners before us are doing a good job and believe they would want us to keep attracting new businesses to move this Port forward. R. Gisclair commented our tenants could all leave in 90 days with the clause that is in their lease. We need to keep them in our good graces. We did lower their rent 3 years ago but have since regained those revenues through escalations, so we are pretty much back where we were. R. Gisclair then reported he and Pierce attended the GPAA Conference last weekend where they were informed of an upcoming \$220 million grant opportunity for coastal ports which the staff can research for possible projects. He then reported on the importance of the Harbor Maintenance Trust Fund to all ports and the upcoming Bill that is being presented to make sure the funds are used for the intended purpose. Pierce added this is an opportunity for ports to get funding and it needs support from all coastal entities. P. Gisclair stated to please keep Larry Griffin in your prayers he is having surgery today pray for a speedy recovery. Cheramie announced the Hurricane Readiness Tenant Meeting is scheduled for Thursday, May 30th at 10AM at the Operations Center in Fourchon. Cheramie wished all mothers a Happy Mother Day for this coming Sunday.

Upon motion by P. Gisclair second by Pierce, the board adjourned the meeting at 11:31AM.

ATTEST:



Harris J. Cheramie, Jr., President



Perry Gisclair, Secretary