

OFFICIAL PROCEEDING
OF
SOUTH LAFOURCHE LEVEE DISTRICT
JANUARY 11, 2010

The Board of Commissioners of the South Lafourche Levee District met in a regular session at its regular meeting place, 17904 Highway 3235, Galliano, Louisiana, on Monday, January 11, 2010, at three (3:00) o'clock p.m., pursuant to the provisions of a notice of regular session duly promulgated and posted in accordance with the law.

The regular meeting for the month of December was called to order by President Ronald Callais. He directed the secretary to call roll.

Board members present: Ronald Callais
 Clarence "CJ" Marts, Jr.
 Lula Auenson
 Robert "Bobby" Eymard, Sr.
 Bob Faulk
 Mitch Danos
 Roy Gisclair
 Monty Vegas

Board members absent: Ernest J. "E.J." Gremillion

Also present were: Executive Secretary and General Manager Windell Curole; Administrative Assistant 5 Mary Punch; Clerical Assistant Amy Gisclair; Levee Maintenance Superintendent Jimmy Badeaux; Engineering Personnel Joe Picciola, Ben Hodson, Neil Angelette and John Plaisance; Attorney Bryce Autin; Corps personnel Joey Wagner and Maude Johnson; Dwayne Bourgeois of North Lafourche Conservation, Levee and Drainage District; and news media.

READING OF THE MINUTES

The minutes of the December 14, 2009 Regular Meeting were approved unanimously upon a motion of Roy Gisclair and seconded by Monty Vegas.

PRESIDENT'S REPORT

ELECTION OF OFFICERS

President Callais opened the floor for the election of officers for the Board of Commissioners of the South Lafourche Levee District for the year 2010.

For the election of President of the Board of Commissioners:
Ronald Callais was nominated.

For the election of Vice-President of the Board of Commissioners:
Lula Auenson was nominated.

For the election of Executive Secretary of the Board of Commissioners:
Windell Curole was nominated.

Moved by Robert Eymard, Sr. with a unanimous second, the board approved the nominations for election of officers for the year 2010.

COMMITTEE ASSIGNMENTS

Mr. Callais announced that unless there were any objections, the re-appointment of committees would remain the same. He asked each member to review the list presented to them and let Mr. Callais know if they would like to be removed from any of the committees by the next meeting.

AUDIENCE COMMENTS

There were no comments from the audience.

GENERAL MANAGER'S REPORT

General Manager Windell Curole presented a letter from Secretary of State Scott Angelle offering his congratulations on the completion of the Leon Theriot Lock.

HURRICANE KATRINA – THE TRUE STORY

Mr. Curole presented a slide show and reiterated that it was not the levees in New Orleans that failed during Hurricane Katrina, but rather it was the failure of floodwalls. Areas outside of New Orleans flooded for various reason. Mr. Curole also showed slides of projects currently underway.

AGREEMENT WITH THE STATE \$19,820,000

Mr. Curole announced that Governor Bobby Jindal would be coming to the levee district office later in the month to finalize the agreement for the \$19.8M that will go towards levee improvements.

LA 24 – LA 1 INTERSECTION

The State is working with the levee district and the Corps to design an elevated ramp to go over the intersection of LA 24 and LA 1. Michael Stack is currently doing some research and will get back with us by end of week. A reduced speed limit will likely be enforced.

LL & G CONTRACT CLAIMS

LL&G has several contract claims. We have sent LL&G a letter asking that they contact us once they have completely finished with all of their claims. At that time we will meet with them to discuss those claims.

CONGRESSIONAL LETTER IN SUPPORT OF MORGANZA

Mr. Curole presented a congressional letter that he signed in support of the Morganza project. He stated that we would have some protection from this project and that a portion would be constructed within our district.

AUTHORIZE PRESIDENT CALLAIS TO SIGN AGREEMENT WITH THE PORT

Mr. Curole requested the board authorize President Callais to sign the agreement with the Port Commission in where they have agreed to pay for personnel to man the lock.

Moved by Lula Auenson, seconded by Bob Faulk and unanimously accepted, the board authorized President Ronald Callais to sign a Cooperative Endeavor Agreement with the Greater Lafourche Port Commission for a three year commitment to in the amount of \$124,405.44 per year for cost of personnel to man the Leon Theriot Lock.

DECADE TOP TEN

Mr. Curole announced that the Daily Comet did the Top Ten Stories of the decade in which the levee district was involved in some of them. They mentioned areas that flooded and those that didn't. Another was the decertification of our levee system. Mr. Curole questioned Mr.

Dwayne Bourgeois if he had an update from the appeal with DFIRM. Mr. Bourgeois stated that he has not received a response.

PUMP STATION # 4 – FANS (JIMMY)

Mr. Curole explained that we took a different design with P.S. No. 4 and that it has worked well in keeping the engines cool. He explained that they reversed the fan direction on the radiators so that the fans would pull air in and this has kept the units cool, but it has caused problems with the radiators. Jimmy Badeaux added that the radiators have had to be replaced several times at this pump station, but there have been no problems at any of the other pump stations. Mr. Curole stated that after checking for defects and finding none, it was determined that the fans pulling air over the engines are carrying chemicals and causing damage to radiators. The fans directions on the radiators need to be reversed. It is estimated to cost \$800 per engine to replace the fans with a different rotation.

CORPS AND CPRA AGREEMENT WITH SLLD FOR REHABILITATION WORK ON LEVEE

Mr. Curole explained that the Corps has changed their policy after Katrina, and that they want the State to be the local sponsor. Attorney Bryce Autin has reviewed the agreement, which will allow rehabilitation work from damages caused by Hurricanes Gustav and Ike, and he sees no major problems with the agreement. Mr. Curole requested authorization for President Ronald Callais to sign the agreement.

Moved by Mitch Danos, seconded by Roy Gisclair and unanimously accepted, the board authorized President Ronald Callais to sign the Cooperation Agreement with the Corps and CPRA for repairs to damages caused by Hurricanes Gustav and Ike on the Larose to Golden Meadow Hurricane Protection System.

LITTLE LAKE LAND CO.- EXPIRATION OF AGREEMENT RENEWAL FOR BOAT LAUNCH, ROAD AND CANAL USE

Mr. Curole explained that the agreement for the boat launch, road and canal use had been negotiated in the beginning stages of our building of the levee system. Little Lake Land Co. gave us a 20 year option that was renewable after 10 years. That option ended in 2007. Since the levee district has no interest in recreational projects, we transferred the rights over to the Lafourche Parish Council to maintain the boat launch. However, the Parish failed to renew so the landowner is claiming that all rights have reverted back to the owner. We are hopeful that the Parish and the Owner will find a way to renew the agreement.

ROE FOR REACH L3, SUGGESTED LANGUAGE BY CORPS

Reach L3 is part of the Morganza project. In the past if the contractor caused damage while working in an area, the landowner or levee district would notify the Corps and they would be responsible for all repairs at no cost to the landowner. The Corps has changed the way they handle this. They will be the ones who determine whether or not there is damage and if it was caused by the contractor.

LETTER TO EJ ROUSSE FAMILY

President Callais announced that he had reviewed the letter of sympathy to Mr. EJ Rousse's family. He requested the letter be presented to the family at the February meeting.

ENGINEERING REPORT

OFFICE OF PUBLIC WORKS

No one was in attendance from the Office of Public Works.

CORPS OF ENGINEERS

Corps of Engineers Joey Wagner stated that most of his report had been covered by Mr. Curole.

Section C-North levee is now complete. We are waiting on a decision to be made on the alternatives of the floodgate versus the ramp.

The LOOP Gate T-Wall will be completed in March.

The Intracoastal Floodwall is under design. It's going through an evaluation study and we should have the results by the end of the month. Any job that's over \$10M has to go through an evaluation study to make sure it's a constructible job.

Golden Meadow pumping station floodwall is being designed and that should be completed in March. We hope to see the LOOP and the GM pumping station floodwalls under construction by the peak of hurricane season.

The D-South Crawfish farms work is underway and should be complete by mid-April.

The rehabilitation work will start as soon as the Cooperation Agreement is signed.

PROJECT ENGINEERS

PICCIOLA & ASSOCIATES

Program Manager Ben Hodson gave the following report:

- **LT Lock – Completion Phase**

We are currently responding to multiple claims issued by the contractor.

- LL&G Pay Request No. 23 - Retainage

On a motion of Lula Auenson, seconded by Roy Gisclair and unanimously carried, the board approved LL&G Pay Request No. 23 for retainage in the amount of \$878,041.38.

- **LT Lock - Elevation of South Floodgate**

The contractor is currently in the assembly period. They are scheduled to remove the gates on Wednesday and Thursday of this week. The gates will be sent to Houma for sandblasting, painting and elevating which should take approximately 90 days.

- **CIAP – Small Dredge**

The pipe is being laid out for this project and they should start dredging at the end of next week. This project is being paid for by the Parish out of CIAP funds.

J. WAYNE PLAISANCE, INC.

Engineer John Plaisance reported the following:

- **Pump Station No. 1 – Discharge Pipe Repair**

The contractor is close to finishing.

- Pay Request No. 2
- Change Order No. 2

On a motion of Monty Vegas, seconded by Bobby Eymard and unanimously carried, the board approved Blanchard Contractors Pay Request No. 2 in the amount of \$88,908.07, and Change Order No. 2 for additional repairs in the amount of \$3,498.01.

- **The East Golden Meadow Retention project**

Mr. Plaisance stated that he should have drawings ready for Mr. Curole's review early next week.

LEVEE IMPROVEMENTS – ANGELETTE-PICCIOLA, LLC

Engineer Neil Angelette reported the following:

- **Section A-East – Raising to +16' (Present elevation is 13')**

Weeks Marine, Inc. is proceeding with this project which is scheduled to be complete in about two months. We are recommending approval of Pay Request No. 23 for \$259,569.43.

Moved by Bobby Eymard, seconded by Roy Gisclair and unanimously carried, the board approved Pay Request No. 23 for \$59,569.43.

- **Section B-North – Raising to +12.5’ (Present elevation is 10-11’)**
Civil Construction Contractors, LLC has completed this project. We have received the clear lien certificate and we are recommending approval of Pay Request No. 5 for \$18,675.93 (retainage/final payment for the project).

Moved by Bobby Eymard, seconded by Clarence Marts and unanimously carried, the board approved Pay Request No. 5 in the amount of \$18,675.93.

- **Section D-South – Raising to +13.5’**
Manson Gulf, LLC is proceeding with this project which is scheduled to be complete by the middle of 2010. We are recommending approval of Pay Request No. 10 for \$460,675.90.

Moved by Monty Vegas, seconded by Lula Auenson and unanimously carried, the board approved Pay Request No. 10 for \$460,675.90.

- **Section C-North Pipeline Walls (Present elevation is 8,8 & 9’)**
We have completed our design and will be forwarding the drawing to the Corps of Engineers, State of Louisiana and pipeline companies for their review. We anticipate being ready to begin advertising for bids less than a month and completion of construction by the middle of 2010. We are requesting approval at this time to begin advertising for bids as soon as the District is comfortable with the reviews from the agencies and companies involved.

Moved by Bobby Eymard, seconded by Roy Gisclair and unanimously carried, the board approved advertising for bids as soon as the District is comfortable with the reviews from agencies and companies involved.

- **Section E-North – Raising to +13’ (Present elevation is 10’)**
We are finalizing our preliminary design and will be submitting drawings to the District this week showing the right-of-ways required. We will also be submitting preliminary plans and cost estimates to the District and the Corps of Engineers for their review and comments.

- **Section E-South – Raising to +13.5’**
We are proceeding with the preliminary design for this project which will utilize the material excavated from the borrow to achieve a levee height of +13.5’. We are working with the State to include some sand mapping technologies in the design of this improvement to address any sand areas in the levee that may be critical to the flood protection.

- **West Side Levee Improvements**
We are proceeding with the designs for the bucket dredge projects to provide additional material which will be used to raise the west side levees up to +16 in the south and +13 in the north. We are also working closely with the Levee District and Board Attorney to identify areas where additional right-of-ways will be needed to provide the increased flood protection.

LEGAL, PERMITS, AND RIGHT-OF-WAYS COMMITTEE REPORT

Chairman Mitch Danos announced that four permit requests were received for review and that none interfered with the levee.

On a motion of Mitch Danos, seconded by Monty Vegas and unanimously carried, the board approved Letters of No Objection for the following requests:

1. CAILLOUET LAND CORPORATION

CUP NO: P20090970

LOCATION: Lafourche Parish, LA; Section 24, T23S-R22E; Port Fourchon, 70357, Lat 29° 06' 06"N, Long -90° 11' 15.8"W

DESCRIPTION: Proposed sand dune restoration, pile bollard fence, fishing pier, and walkway. Approximately 2,500 cubic yards of native material will be excavated on-site and used to construct approximately 2,100 of sand dunes. One hundred existing bollards will be removed and 500 new bollards will be installed in the general area, along the private roads.

A 50' x 3' fishing pier, 140' x 3' timber walkway and 12' x 12' platform will also be installed. Equipment rights-of-way have been designated on the plats. The timbers walkway and platform will be installed without the use of motorized equipment. No additional may be directly impacted by the proposed work.

2. GREATER LAFOURCHE PORT COMMISSION

CUP NO: Request to Extend P20041429

LOCATION: Area bounded by Bayou Lafourche to the west, LA Hwy 3090 to the east. NJ Theriot Road to the South, and Flotation Canal to the North.

DESCRIPTION: Port Fourchon Northern Expansion – Phase I to meet the needs of deepwater oil and gas development in the central Gulf of Mexico. Proposal to complete activities authorized under Coastal Use Permit P19981007 (Amended). Uncompleted activities include the continued construction of a 251.19 acre mitigation area (Part "C" of the Mitigation Plan) and the construction of a 7,000' X 700' slip (Slip 2), Approximately 3,462,000 cu. yds. of material will be deposited for the construction of Part C of the mitigation plan. Approximately 3,991,000 cu. yds. of material was dredged from Slip 1 and will be dredged from Slip 2. The dredged material from Slip 2 will be deposited adjacent to the slip for the construction of a work area. An additional 4,516,000 cu. yds. of material will be hauled in for the developed (work) area. Also, construction under the referenced permit; future expansion may require permits.

3. SWIFT ENERGY OPERATING LLC

CUP NO: P20091311

LOCATION: Lafourche Parish, LA; Section 32, 33, T19S-R24E; Lat, 29° 22'33"N, Long. -90° 02'43"W (NAD 83) X = 2,410,288; Y = 260,145 (NAD 27)

DESCRIPTION: Proposed well location, dredging and structures to serve the Steeler Prospect in the Bay De Chene Field. A portion of the proposed access route and a portion of the 354-foot by 160 foot well slip will be bucket dredged with an average cut of approximately 1.5 feet. Spoil will be placed in the open water adjacent to the route and slip at a height no greater than 0.5 feet. One pipeline which crosses the proposed access route will be lowered to a minimum of 3 feet below the mud line. Eight temporary 3-pile clusters will be installed to secure a typical diesel drill barge. Upon completion of the well, a wellhead protection structure measuring approximately 7 feet by 16 feet will be installed. Draft of vessels utilized for this project will not exceed 6.5 feet. Approximately 15,039 cubic yards of native material will be displaced. No additional dredge or fill is required. *Approximately 23.24 acres of non-vegetated water bottom may be directly impacted by the proposed work.

4. LOUISIANA DELTA OIL COMPANY

CUP NO: P20080595 (After-the-fact)

LOCATION: Lafourche Parish, LA; Lat, 29° 40' 15"N / Long. -90° 11' 09"W Section 024; T16S-R23E.

DESCRIPTION: Hydraulic dredging of a 1434' x 70' canal and a 310' x 140' slip, and installation of a drilling barge and well protection structure to drill and produce the LA Delta Oil Company Prospect BP24 Well. Approximately 27,487 cu. yds. of water bottom material will be hydraulically dredged and deposited in a manner conducive to the establishment of marsh.*.

AFTER-THE-FACT REVISION DESCRIPTION: Project deviated from original authorization by bucket dredging slip area and placement of 2457 cubic yards of spoil on the adjacent bank line.**Approximately 0.4 acres of marsh were impacted by this project.

ERRATUM: The wrong applicant name, project description, and location was posted.

BOARD ATTORNEY

Attorney Bryce Autin reported he has been working with Picciola & Associates on the LL&G claims. Mr. Autin stated that we are close to finalizing the Allain agreement.

FINANCE COMMITTEE

INVOICES

Chairman Roy Gisclair announced that the Finance Committee had reviewed the invoices. He advised that the invoices were in order and recommended they be paid.

On a motion of Roy Gisclair, seconded by Lula Auenson and unanimously carried, the board approved the payment of the invoices as presented.

PERSONNEL COMMITTEE

AUTHORITY TO GRANT MERITS

Chairman Monty Vegas requested the board give the Personnel Committee the authority to grant employee merit increases for the coming year.

Moved by Monty Vegas, seconded by Mitch Danos and unanimously approved, the board gave the Personnel Committee authority to grant merit increases for the year 2010.

OLD BUSINESS

There was no old business to discuss.

NEW BUSINESS

President Callais requested Lula Auenson set up a meeting of the Executive Committee to discuss obtaining right-of-ways.

With no further business to discuss, the board unanimously adjourned the meeting.

/s/Ronald Callais, President

/s/Windell A. Curole, Executive Secretary