

OFFICIAL PROCEEDING
OF
SOUTH LAFOURCHE LEVEE DISTRICT
JUNE 7, 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, June 7, 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 June was called to order by President Ronald Callais. He directed the secretary to call roll.

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

Board members absent: None

Also present were: Executive Secretary and General Manager Windell Curole; Administrative Assistant 5 Mary Punch; Levee Board Operations Superintendent Jimmy Badeaux; Clerical Assistant Amy Gisclair; Engineering Personnel Joe Picciola, Brad Adams, Neil Angelette, Larry Picciola, and John Plaisance; North Lafourche Conservation Levee and Drainage District Dwayne Bourgeois; Corps personnel Joey Wagner, Maude Johnson and Bill Foret; OCPR Rick Dugas; landowners Butch Chouest and Paul Plaisance; Restoration Systems George Howard and Worth Creech; O'Reilly Engineering David O'Reilly; and news media.

READING OF THE MINUTES

The minutes of the May 10, 2010 Regular Meeting were approved unanimously upon a motion of Roy Gisclair and seconded by Lula Auenson.

PRESIDENT'S REPORT

President Ronald Callais announced that those who attended the recent ALBL Workshop would find their Certificates of Attendance in their meeting packets. Mr. Callais emphasized that the workshop had been interesting and informative.

AUDIENCE COMMENTS

Landowner Paula Plaisance introduced herself and stated that she had questions for the board regarding the taking of rights-of-way. General Manager Windell Curole explained the process. Mrs. Plaisance presented her questions to the board. Upon the question of compensation for property, Mr. Callais answered that it is his understanding that we have to compensate the landowners according to the Fair Market Value at the time of taking. Mr. Curole explained the process for this.

Mr. Curole answered Mrs. Plaisance question regarding hiring out her equipment for work and stated that she would need to contact the office with all her information including insurance, and depending on what is needed at the time, we will take it into consideration.

On the question of whether or not the area can be filled back in after taking materials, Mr. Curole explained that the ROW is a flood easement and will be used to help drainage. Mr. Curole added that at this time, he cannot determine if she can or cannot fill it back in. This will be based on how the area is used for flood protection. Mr. Curole added that the landowner will continue to hold ownership of oil and gas rights. We estimate work to begin in approximately three months. We will have more meetings at later date when we have more information.

Mr. Butch Chouest, landowner, stated that he had been to the recent meeting, but needed more information. Mr. Chouest requested an exact location of his area. Engineer Neil Angelette will get with Mr. Chouest on the location of the property that will be affected by the right-of-way.

Dwayne Bourgeois with North Lafourche Levee District stated that a letter was being drafted by Simone Maloz of Restore and Retreat, and Ted Falgout of Ted M. Falgout & Associates concerning the North Lafourche and South Lafourche levee districts making an appeal to Dr. Denise Reed who heads the Science and Review Panel for the Donaldsonville to the Gulf project. Mr. Bourgeois explained that in the past restoration and protection were considered separately. CPRA determined after the 2005 storms that those two items should be considered together. The letter requests the Science and Review Panel to encourage the Corps to look at things jointly in regards to restoration and protection. An example in the letter is the pipeline settlement and displacement. Mr. Curole recommended the Board give President Callais the right to approve the letter once completed. He added that this would run from the east side of our system to the Plaquemines line to join together for flood protection and restoration.

Moved by Monty Vegas, seconded by Bobby Eymard and unanimously approved, the board authorized President Ronald Callais to approve and sign the letter once complete.

Mr. Bourgeois added that he had nothing new to discuss on the DFIRM appeal with FEMA. Mr. Bourgeois stated that North Lafourche has equipment available for emergencies including the recent oil spill.

GENERAL MANAGER'S REPORT

ELEVATION – SLIDE SHOW

General Manager Windell Curole presented a slide show. Mr. Curole announced that from the beginning, we were concerned with oil affecting our area. Mr. Curole stated that he met with various parish personnel and they have come up with a plan called the Twin Pipeline Canal which will run from Catfish Lake on the west side of our levee system to Terrebonne Ridge. Mr. Curole continued to explain the project and how it could protect the inland waters from oil. Other slides included a reminder of 2005 storms and the projected similarities for this coming hurricane season and the new levee heights that have been reached.

ROW PUBLIC MEETINGS

Mr. Curole explained that three public meetings were held recently to show the acreage that would be taken from landowners in obtaining the right-of-ways for raising the levee on the west side of the system. The meetings were held to help the public understand what we are doing to increase protection. Our goal is to have the improvements completed by hurricane season 2011. Mr. Curole stated that there were a lot of unhappy people at the meetings, but that most understood that raising levees will reduce the chance of flooding. Mr. Curole added that these meeting are not hearings, but public meetings for the exchange of information.

DOTD – ELEVATED HIGHWAY 1

DOTD has requested right-of-way that is needed for the elevated LA 1 highway from Leeville to inside the levee system. Mr. Curole recommended the board authorize President Callais to sign the right-of-way for this project.

Moved by Lula Auenson, seconded by Roy Gisclair and unanimously accepted, the board authorized President Ronald Callais to sign a right-of-way agreement with DOTD for the Elevated LA 1 Highway to run from Leeville, LA to inside the levee system.

STATE FUNDS RECEIVED

Mr. Curole announced that the money is finally coming from the \$18.6M that was appropriated by the State for levee improvement projects.

LETTER TO CORPS – QA/QC REPORT

The Corps has requested reports on the quality of work from our contactors. We are trying to work this out with Corps.

FINAL INSPECTION OF CRAWFISH FARM WALL

Levee Board Operations Superintendent Jimmy Badeaux announced that the Corps and its contractors did a very good job on the Crawfish Farm wall. The elevation is now at 13'7". Huge improvements have been made including the addition of strong pilings and a cement splash guard.

PUBLIC INFORMATION REQUESTED BY LL&G ATTORNEY

Attorney for LL&G has requested public information from our meetings since the awarding of the contract of the Lock completion project. This information was been given to Attorney Bryce Autin and forwarded to LL&G's attorney.

UPGRADE NATRUAL GAS LINE – SOUTH COAST GAS

Mr. Curole presented a letter on the upgrade of a natural gas line to the board. South Coast Gas needs to replace a line near the floodgate in Larose.

FY 2010 AMENDED BUDGET

Mr. Curole announced that the amended budget reflects reality of where we are and recommended the board approve as submitted.

On a motion of Bob Faulk, seconded by Clarence Marts and unanimously accepted, the board approved the Amended Budget for Fiscal Year 2010 as submitted.

OFFICE COMPUTER

Mr. Curole stated that an additional computer was needed in the office and requested approval from the board. The estimated price was \$1,200 for the computer.

Moved by Bobby Eymard, seconded by Roy Gisclair and unanimously accepted, the board approved the purchase of a computer for the office at the estimated cost of \$1,200.

ENGINEERING REPORT

OFFICE OF COASTAL PROTECTION AND RESTORATION

No comments from OCPR representative, Rick Dugas.

CORPS OF ENGINEERS

Corps of Engineers Maude Johnson reported on the following projects:

- The Crawfish Farm Wall is 99% complete. Should be complete by June 14, 2010.
- The CA was signed on May 14, 2010. The Levee District should receive right-of-entry letters soon.

PROJECT ENGINEERS

PICCIOLA & ASSOCIATES

Engineer Joe Picciola gave the following report:

- **Leon Theriot Lock**
 - We provided answers to all the contractor's claims. We also requested information from them on the Change Orders, but have not received any information back yet. We will notify the board when received

- **LT Lock - Elevation of South Floodgate**
 - Pay Request No. 6 - \$43,840.65
This is the final payment which includes retainage. We recommend approval of payment pending receipt of Clear Lien Certificate which we should receive within the next two weeks.

Moved by Monty Vegas, seconded by Lula Auenson and unanimously accepted, the board approved Final Pay Request No. 6 upon receipt of Clear Lien Certificate, in the amount of \$43,840.65 for the Elevation of the South Floodgate.

- **CIAP – Small Dredge (Lafourche Parish)**

The contractor has finished the original 50 acre section and has now moved onto an uncontained fill area that consists of approximately 223,000 cubic yards. They are 75% complete at that location and should finish all work within two weeks.

- **Pre-Position Debris Removal and Monitoring Contracts**
 - Omni Pinnacle, LLC – renewal of contract for debris removal
 - J & S Resources – renewal of contract for monitoring

The contacts for debris monitoring and removal are up for renewal. Although not obligated, should the board choose not to renew these contracts, they will need to rebid the projects for this hurricane season. We recommend renewal of the Pre-Position Debris contracts for Omni Pinnacle and J & S Resources.

Moved by Mitch Danos, seconded by Bob Faulk and unanimously accepted, the board agreed to renew the Pre-Position contracts for debris monitoring with J & S Resources and for debris removal with Omni Pinnacle.

- **Levee Improvements – “B” South/ “A” West**
 - Eustis Engineering Company, Inc. is scheduled to complete the soil borings this week.
 - We have completed drafting 50% of the cross sections.

- **Levee Improvements – “E” South**
 - Eustis Engineering Company, Inc. will complete the levee design template this week.
 - Once the design template is received we will begin the final design of each section to determine the cut and fill volumes.

J. WAYNE PLAISANCE, INC.

Engineer John Plaisance reported the following:

I have nothing to report at this time.

- **The East Golden Meadow Retention project**

To be discussed in Bayou Water Level Committee section

LEVEE IMPROVEMENTS – ANGELETTE-PICCIOLA, LLC

Engineer Neil Angelette reported the following:

- **Section A-East – Raising to +16' (Present elevation is 13')**
Weeks Marine, Inc. has some minor grading work to complete this project. We are recommending approval of Pay Request No 27 for \$540,713.71.

Moved by Monty Vegas, seconded by Bob Faulk and unanimously carried, the board approved Pay Request No. 27 in the amount of \$540,713.71.

- **Section D-South – Raising to +13.5'**
Manson Gulf, LLC is proceeding with this project. The levee has been raised to an elevation of 13.5' and work is continuing on the berms. We are recommending approval of Pay Request No. 14 for \$198,706.45.

Moved by Lula Auenson, seconded by Bobby Eymard and unanimously carried, the board approved Pay Request No. 14 in the amount of \$198,706.45.

- **Section C-North Pipeline Walls – Raising to 15' (Present elevation is 8,8 & 9')**
We are advertising this project to receive bids on June 23, 2010. A pre-bid meeting will be held this Wednesday, June 9, 2010 at the Levee District Office. The project is \$1,450,000.
- **Section E-North – Raising to +13' (Present elevation is 10')**
We are proceeding with the design and drawings for the levee improvements in this area and anticipate having plans and specifications complete this week to submit to the State and Corps of Engineers.
- **C-South and B-North Levee Improvements**
We are working on the design for this project to provide additional material to raise these levees up to +13' for C-South and +14' for B-North. Plans and specifications for this project will be complete this week to submit to the State and Corps of Engineers.

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

Chairman Mitch Danos announced that two (2) permit requests were received for review and neither interfered with the levees. Mr. Curole stated that he would prefer holding Cailouet Land Corporation's request until after he had spoken to the Port Commission, but requested the board authorize President Callais be authorized to sign the letter after he's discussed the permit request with the Port.

On a motion of Mitch Danos, seconded by Roy Gisclair and unanimously carried, the board approved Letters of No Objection for the following requests with Cailouet Land being held until after being discussed with the Greater Lafourche Port Commission:

1. CAILOUET LAND CORPORATION

CUP NO: P20090970

LOCATION: Lafourche Parish, LA; Section 24, T23-R22E; Port Fourchon 70357, Lat 29° 06' 06"N, Long -90° 11' 15.8"W

DESCRIPTION: Proposed sand dunes restoration, pile bollard fence, fishing pier and walkway. Approximately 2500 cubic yards of native materials will be excavated on-site and used to construct approximately 2100' of sand dunes. One hundred existing bollards will be removed and 500 new bollards will be installed in the general area, long 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 timber walkway and platform will be installed without the use of motorized equipment. No additional dredge or fill is required.

2. INTREPID EXPLORATION & PRODUCTION LLC

CUP NO: P20100502

LOCATION: Lafourche Parish, LA; Section 4, 5 & 9, T20S-R23E; Lake Enfermer Field; (POB dredging) Lat 29° 22' 16"N, Long -90° 08' 44"W. (POE dredging, Harrison, et al Well No. 01) Lat 29° 21' 58"N, Long -90° 07' 38"W. (NAD 83)l X=2,384,200; Y=256, 249 (NAD 27)

DESCRIPTION: Proposed wheel washing of canal and well and structure installation to serve the Harrison, et al Location No. 1. Tugs and barge will draft a maximum of 6'. Approximately 31, 872 cubic yards of native material will be displaced by propwashing. Two segments of canal measuring a total of 5,882' x 701' along with a 345' x 160' slip with a 90' wing will be dredge to a depth of 7' at MLW. Eight 5-pile clusters will be required to temporarily secure a typical drilling barge. Upon successful completion of the well, a 7' x 21' well protector will be installed. No additional dredge or fill is required. *Approximately 10.3 acres of non-vegetated water bottom may be directly impacted by the proposed work.

BOARD ATTORNEY

Conoco – Phillips Assignment (Delay Rental) – Board Approval Needed for A/G Opinion

Attorney Bryce Autin announced that he received a response to his request for an Attorney General Opinion that was made on the Conoco-Phillips Assignment (Delay Rental). Due to a new policy, the Attorney General now requires board approval when seeking an Opinion. This is to make sure that the opinion being sought is actually what the board is requesting.

Moved by Lula Auenson, seconded by Roy Gisclair and unanimously accepted, the board authorized Attorney Bryce Autin to seek an Attorney General’s Opinion on the Conoco-Phillips Assignment (Delay Rental) on whether or not the delay rentals received on oil and gas leases are subject to mineral revenues that are shared with the Lafourche Basin Levee District.

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 Bobby Eymard and unanimously carried, the board approved the payment of the invoices as presented.

MAINTENANCE & EQUIPMENT COMMITTEE

Chairman Clarence Marts announced the results of the June 3, 2010 bid opening as follows:

- a. Bid for the sale of dragline

Company Name	Sale Price
Fairco, Inc	\$311,633.00
Plaisance Dragline & Dredging Co. Inc.	\$317,000.00
Weeks Marine Inc	\$326,101.00
Low Land Construction Co Inc	\$330,040.00

Mr. Marts stated that the committee recommends awarding the sale of the dragline to Low Land Construction for \$330,040.

Moved by Clarence Marts, seconded by Bobby Eymard and unanimously carried, the board approved awarding the sale of the 80 ton dragline to Low Land Construction for \$330,040.

- b. Bid for the sale of dragline bucket – No bids were received
- c. Bid for the sale of fuel tank for dragline – No bids were received

These items will be re-advertized at a later date.

INSURANCE COMMITTEE

Chairman Monty Vegas presented quotes on insurance policies up for renewal. Because of a huge claim two years ago, no other carriers are willing to bid on Workers Compensation Insurance. Mr. Vegas added that the premiums are all close to the same as the previous year and recommended they be renewed.

Moved by Monty Vegas, seconded by Mitch Danos and unanimously carried, the board agreed to renew all policies.

BAYOU WATER LEVEL COMMITTEE

Chairman EJ Gremillion requested Mr. Curole give the report on the East Golden Meadow Retention Project. This project runs south of Yankee Canal and east of Golden Meadow. This is a large area where water is being siphoned. If we can isolate the area we can almost double the amount of water being siphoned which allows us to control the water levee in Bayou Lafourche. Engineer John Plaisance offered four alignments with the fourth option being the most beneficial.

Engineer John Plaisance explained the four options. Alternate "D", Perpendicular Ridge to Power Line Crossing would consist of the construction of a levee on a ridge that intersects the Yankee Canal Road south of the Entergy Substation. This ridge reaches the HPL approximately 5,000' from Yankee Canal Road.

Mr. Plaisance stated that at this time it takes about 85 hours to siphon one foot of water. If we can isolate that area, we can reduce that amount of time to about 43 to 48 hours. Mr. Plaisance explained the area of isolation needed. He stated that this can be done for about \$750,000. Mr. Curole stated that, under the advice of Mr. Plaisance, the Committee recommends Alternate "D". Mr. Curole added that the Committee recommended getting permits and everything lined up, but no action needs to be taken until later in the year.

On a motion of EJ Gremillion, seconded by Bob Faulk and unanimously accepted, the board agreed to accept Alternate "D", Perpendicular Ridge to Power Line Crossing at the cost of \$750,000.

PERSONNEL COMMITTEE

Chairman Monty Vegas reported that the committee had met earlier and approved the following:

- Permanent status for Mobile Equipment Operator 1, Nathan Mayet
Mr. Mayet has fulfilled his six months probation and the Committee recommends placing him on permanent status.

On a motion of Monty Vegas, seconded by Mitch Danos and unanimously carried, the board approved the permanent status of Mobile Equipment Operator 1, Nathan Mayet.

Mr. Vegas added that Administrative Assistant Mary Punch has been working on the removal from Civil Service process and received an email stating that we should be receiving our letter in the next few days. Hopefully this will be complete by the next meeting.

OLD BUSINESS

There was no old business to discuss.

NEW BUSINESS

OFFSHORE MORATORIUM

Mr. Curole told the board that the moratorium on the oil field will reduced our ability to build more levees because of lower tax income. We can maintain what we have, but will be limited in building anything new. We will have to review the situation over the next six months.

DRAINAGE STUDY

Mr. Curole presented a Drainage Study that the Parish is requesting a cost-share with the South Lafourche Levee District. Mr. Curole requested the board allow President Callais to make a decision on signing the agreement which could cost the Levee District \$50,000 to \$75,000 or 25% of the cost of the study. President Callais stated that he would like some time to review before making a decision. NLLD Dwayne Bourgeois stated that there is a time limit from HUD and that the Parish needs an answer soon.

Moved by Lula Auenson, seconded by Clarence Marts and unanimously accepted, the board agreed to authorize President Ronald Callais to make a decision on entering into an agreement to cost-share the Drainage Study.

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

/s/Ronald Callais, President

/s/Windell A. Curole, Executive Secretary