

**OFFICIAL PROCEEDING
OF
SOUTH LAFOURCHE LEVEE DISTRICT
DECEMBER 13, 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, December 13, 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.
 Bob Faulk
 Roy Gisclair
 Robert "Bobby" Eymard, Sr.
 Mitch Danos
 Monty Vegas
 Ernest "EJ" Gremillion

Board members absent: Lula Auenson

Also present were: Executive Secretary and General Manager Windell Curole; Administrative Assistant 5 Mary Punch; Clerical Assistant Amy Gisclair; Levee Board Operations Superintendent Jimmy Badeaux; Engineering Personnel Joe Picciola, Brad Adams, John Plaisance, Larry Picciola and Neil Angelette; Board Attorney Bryce Autin; North Lafourche Conservation Levee and Drainage District Dwayne Bourgeois; OCPR Rick Dugas; USACE Joey Wagner and Bill Foret; State Representative Jerry Gisclair; and news media.

READING OF THE MINUTES

The minutes of the November 8, 2010 Regular Meeting were approved unanimously upon a motion Roy Gisclair and seconded by EJ Gremillion.

The minutes of the November 29, 2010 Executive Meeting were approved unanimously upon a motion of EJ Gremillion and seconded by Roy Gisclair.

PRESIDENT'S REPORT

2011 PRIORITIES MEETING UPDATE

President Callais briefed the board on the projects that were discussed and the available budget for 2011. Although funds are tight, we feel we can get most of the major projects accomplished. Various options for possible additional funding were discussed. These options can be reviewed later if the need arises.

As noted for general information, the board currently has \$1M liability insurance with a \$2M umbrella policy for a total of \$3M worth of coverage.

ALBL UPDATE

President Callais announced that the same officers were elected this year as last year. In addition, the Corps gave presentations and there was a round table discussion at the ALBL Conference.

AUDIENCE COMMENTS

Dwayne Bourgeois of North Lafourche Levee District updated the board on the DFIRM. He stated that Denton, TX has said they recognize our levees, but cannot consider them because they are non-certified. This is an action that must be changed in DC. He added that he was trying to set up a meeting for after the first of the year. Mr. Bourgeois stated that he had spoken with Garret Graves and Jerome Zeringue who have assured him that the State will try to get more involved after wrapping up the oil spill issues. Senator David Vitter, along with several other senators, is considering extra language to amend the 2011 Appropriations that would prohibit FEMA from changing flood maps.

GENERAL MANAGER'S REPORT

HAROLD J ANDERSON LEASE ASSIGNMENT – CONSIDER ADOPTION OF RESOLUTION 10-05

Mr. Curole briefed the board on the Lease Assignment and recommended adoption of Resolution 10-05 as presented.

Moved by Monty Vegas and seconded by EJ Gremillion the following resolution was adopted by a unanimous vote:

R E S O L U T I O N 10-05

WHEREAS, by instrument dated May 6, 2009, recorded under Entry No. 1076463 in the public records of Lafourche Parish, Louisiana, the South Lafourche Levee District granted an oil, gas, and mineral lease to and in favor of Harold J. Anderson, Inc. covering 1501 acres, more or less, in Sections 5, 6, 7, 8, 17, and 18, Township 19 South, Range 24 East, Lafourche Parish, Louisiana; and,

WHEREAS, by instrument dated December 13, 2010, the South Lafourche Levee District approved an assignment of the right, title, and interest of the above-described oil, gas, and mineral lease, from Harold J. Anderson, Inc. to ConocoPhillips Company. ConocoPhillips Company's address is listed as 600 North Dairy Ashford, Houston, TX 77079-1175, and,

WHEREAS, the Applicant herein has obligated himself to provide the Levee District with a duplicate original of the assignment with all recording information stamped on the face of the document (such duplicate original to be identical to the assignment presented to the Levee District for its consideration herein), and,

WHEREAS, the Applicant herein has provided the Levee District with “Form B’s” showing all ownership interests of the subject lease, and,

WHEREAS, The South Lafourche Levee District has not made an examination or determination that all of the provisions and conditions in the Subject Lease have been met, and accordingly, this resolution is not intended to, nor shall it act in any manner as a ratification of the Subject Lease nor as a waiver of any right which the Levee District may have, including prescriptive rights.

NOW, THEREFORE, BE IT RESOLVED By the South Lafourche Levee District that the assignment from Harold J. Anderson, Inc. is hereby approved and accepted by this Board.

LAROSE FLOODWALL REPAIRS – REQUEST FOR ROE

Mr. Curole stated that the Corps has plans to raise the level of protection and strengthen the floodwall along the Intracoastal on the east side of Bayou Lafourche, or Delta Farms area and have presented a right-of-way request. Mr. Curole informed the Board that the Levee District can grant most of the ROW, but there is a one section of property that may can be done without the ROW. Mr. Curole recommended the board grant the ROW as requested with the right to negotiate the corner property.

Moved by EJ Gremillion, seconded by Clarence Marts and unanimously approved, the board agreed to grant right-of-way as requested by the Corps with the exception of one corner. The board further authorizes the right-of-way for the new corner property to be negotiated.

ELEVATION OF CENTERLINE LEVEE

Mr. Curole explained that the State passed a law that we have centerline done on the levee every three years. He added that John Plaisance had given an estimate of \$10,000 to do this work. Mr. Curole said he feels we can get this accomplished for under that price and would like to work with the State on how they want to do this. Mr. Curole recommended the Board approve contacting the State and authorize a contract with Engineer John Plaisance to do the centerline work.

Moved by Mitch Danos, seconded by Bob Faulk and unanimously accepted, the board authorized General Manager Windell Curole to contact the State for instruction, and to contract Engineer John Plaisance to provide updated maps with centerline on the levee system.

AGREEMENT WITH GLPC FOR LOCK PERSONNEL

Mr. Curole presented an Intergovernmental Agreement between the Greater Lafourche Port Commission (Port) and the South Lafourche Levee District (District) regarding the cost of lock personnel. He explained that the lock benefits both the Port and the District by providing protection and navigation so the Port has agreed to help the District by contributing \$200,000 annually toward salaries of the lock personnel. Mr. Curole recommended the Board approve the five-year agreement and authorize President Callais to sign.

Moved by Bob Faulk, seconded by Mitch Danos and unanimously accepted, the board authorized President Ronald Callais to sign the Intergovernmental Agreement with the Greater Lafourche Port Commission (Port) in which the Port will contribute \$200,000 annually towards the payment for lock personnel for continuous operation of the Leon Theriot Lock.

LETTER TO WALTER BAUMY, CORPS

Mr. Curole presented a letter written to Mr. Walter Baomy of the Corps explaining that the Board has chosen to use the old pre-Katrina standard for building our levees and the reason behind it. The letter also mentions the agreement with the Corps to provide SLLD with a 100 year level of protection, which was never received.

APPROPRIATION OF ADDITIONAL RIGHT-OF-WAY FOR LEVEE CONSTRUCTION IN B-NORTH AND C-SOUTH

Mr. Curole announced that the Board is scheduled to pass the appropriations resolution at next month's meeting to be held on January 10, 2011. This date was included in landowner letters. There have been some landowners who have been taking materials out of the right-of-way in anticipation of the appropriation. Mr. Curole added that there has been some discussion to move this date up to prevent landowners from taking that material. He added that at this time the Board does not feel this move is necessary. However, the Board reserves the right to take such action if a significant amount of dirt is removed from the right-of-ways that would hinder work on the levees.

ENGINEERING REPORT

OFFICE OF COASTAL PROTECTION AND RESTORATION

There were no comments from OCPR.

CORPS OF ENGINEERS

USACE Joey Wagner gave the following report:

- E-North: This project, which is located in the Clovelly Farm area, involves installation of vinyl sheet piles and rocks. This project should be complete Jan. 23, 2011.
- Mitigation levee (Point Aux Chenes): This project will be complete this week. Barges should be pulled out Friday.
- Golden Meadow Floodwall: This contract will be awarded Dec. 22, 2010. Wall should be substantially complete by Aug. 15, 2011.

- LOOP Gate Earthen Ramp: We are working with environmentalists for additional right-of-way where marsh will be impacted. An environmental clearance has been pushed back to March 17, 2011. We will meet with LOOP's facility manager to discuss the new completion dates. This project will elevate the road to 14 ft and the ramp +14.
- Intracoastal (Larose) Floodwall: Designs have been furnished to the Levee District. We are working with environmentalists on issues. This will elevate to 10.5 ft. Phase 1 will involve elevating from the corner of the Intracoastal Canal and Bayou Lafourche along Delta Farms Road to just under the Hwy 308 (high rise) bridge. Sheet piles will be placed with rip rap for added stability. Mr. Curole added that the Levee District is willing to work with the Corps to help provide more stability and protection.
- Post-Authorization Change Report: Geo-tech is finishing up their alternative aid which is stabilizing the system. They've started moving out on elevating the levee system. I've provided Mr. Curole with the current authorized, the 50-year and the 100-year design effort. These numbers are now public.

PROJECT ENGINEERS

PICCIOLA & ASSOCIATES

Engineer Joe Picciola gave the following report:

- **E –South Levee Improvements**
Plans for E-South Levee Improvements were put on hold. The Levee District decided to do this project in house. The plans are to replace the “sandy” material on the crown with material located on the flood side berm of the levee. The Levee District is currently testing the material located on the flood side berm to determine if it is suitable. We are assisting in the field as needed.
- **A-West / B-South: Phase I-Clearing and Grubbing**
Phase 1: Phase 1 of this project consists of clearing and grubbing the islands located in the borrow area. Storm Reconstruction Services, Inc. is the contractor for his project. The Notice to Proceed was issued today. The contractor will be mobilizing this week and should begin clearing the following week.

Phase 2: Phase 2 will consist of a trucked-in dirt job beginning just north of the Golden Meadow Pak and ending just south of the Apache dock. We spoke with Joey Bouziga about using the Town of Golden Meadow's levee for the Levee District's levee. Joey is willing to work something out with the Levee District. A survey crew took cross sections of the town last week. We will design a cross section for the town levee and develop an estimate of the amount of material available.
- **Elevation of South Floodgate Investigation – Phase 2**
We are waiting on PSI to complete their report.
- **Leon Theriot Locks – Protective Plate Repair**
The project consists of repairing the concrete structure's corner protective plates. Blanchard Contractors, Inc. is the contractor for this project. They are currently repairing the plates. The SLLD will oversee the construction of this project with the assistance of Picciola & Associates, Inc. as needed.

J. WAYNE PLAISANCE, INC.

Program Manager Andre Uzee reported the following:

- **East Golden Meadow Retention Project**
We continue to negotiating with the Corps and DNR on environmental issues in that area.

LEVEE IMPROVEMENTS – ANGELETTE-PICCIOLA, LLC

Engineer Neil Angelette reported the following:

- **Section D-South – Raising to +13.5'**

Manson Gulf, LLC is finalizing this project with minor grading in several areas. We are recommending approval by the Board for substantial completion as of November 10, 2010.

Moved by EJ Gremillion, seconded by Roy Gisclair and unanimously accepted, the board approved substantial completion for Section D-South as of November 10, 2010.

- **Section C-North Pipeline Walls – Raising to 15' (Present elevation is 8,8 & 9')**

The contractor, Low Land Construction Co., Inc., has mobilized equipment to the project site and will begin construction this week.

- **Section E-North – Raising to +13' (Present elevation is 10')**

This project will exhaust all the remaining borrow material in the existing borrow canal and provide stability berm improvement and material for levee height improvements to +13. We are proceeding with the final design and drawings for this project. Preliminary plans have been sent to the Corps of Engineers for their review and comments.

- **C-South and B-North Levee Improvements**

This project will provide stability berm improvements and additional material to raise these levees up to +13' for C-South and +14' for B-North. We are finalizing the plans and specifications for this project. Preliminary plans have been sent to the Corps of Engineers for their review and comments. The construction estimate for this project is \$9.8 million. We are requesting approval from the Board to begin advertising this project for bid.

Moved by Bobby Eymard, seconded by Bob Faulk and unanimously accepted, the board approved advertising C-South and B-North Levee Improvements Project for bid.

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

Chairman Mitch Danos announced that six (6) permit requests were received for review and that none interfered with the levees.

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

1. US LIQUIDS OF LA LP

CUP NO: P20101392

LOCATION: Lafourche Parish, LA; Lat. 29° 32' 51"N, Long 90° 31' 0"W; Section 79 T17S-R19E: Approximately 0.75 miles east southeast of Grand Bois, Bourg, LA

DESCRIPTION: Proposed closure to two treatment cells (Cells 11 and 12). Cells were filled with Reuse Material to depth of approximately 1.5 feet and spread evenly. A second layer of Reuse Material (approximately 74, 214 cu. yds.) will be added and spread across both cells. The top layer (approximately 7,500 cu. yds.) will consist of approximately 6-inches of native soil and vegetation. *Approximately 9.19 acres of nonvegetated water bottom may be impacted as a result of this proposed activity.

2. PETROGULF CORPORATION

CUP NO: P20101256

LOCATION: Lafourche Parish, LA; Section 28 T20S-R22E, P.O.B. of the lines and production land facility at Lat 29° 19' 45"N/Long -90° 14' 18"W, and P.O.E. of the line and the Allan Company Well no. 1 at Lat 29° 19' 25"N/Long -90° 14' 18"W (NAD 83) / X=2,349,022', Y=240,498' (NAD 27).

DESCRIPTION: Proposed installation of two 6-inch and one 2-inch flowlines to serve the Allan Land Company Well No. 1, and proposed installation of a production facility. The flowlines will be bored from the Allan Land Company Well to a proposed Production Facility near Highway 1, for a total length of 2,688'. The flowline pullback area will be in Bayou Lafourche where the flowlines will be floated on the surface of the bayou and 2,561' feet. A temporary work space measuring 20' x 20' will be required for the core entry and tie-in. The pipelines will be trenched through the facility for 90' and jetted to the well site for 184', at a minimum depth of 3'. The Production Facility will require filling in 1.53 acres to be used for tank storage and production equipment. Two culverts will be placed along highway 1 for access to the facility. The facility will have a 80' x 50' oil and water storage tank area, a 24' x 32' concrete compressor platform, a 24' x 32' concrete production platform, a flare with the walkway measuring 110' x 10', and a 30' x 30' crosstex meter location. Approximately 288 cubic yards of native material will be displaced and 16,220 cubic yards of fill in the form of crushed stone and gravel, sand, and hauled in topsoil dirt. No other excavation or fill will be required. *Approximately 1.53 acres of saline marsh habitat may be impacted as a result of this proposed project.

3. APACHE CORPORATION

CUP NO: P20081401

LOCATION: Lafourche Parish, LA; Approximately 1.7 miles Northwesterly of Golden Meadow, LA; Golden Meadow Field. Section 001, T20S-R21E; Section 078, T19S-R21E, Proposed location Lat 29° 23' 29"N, Long 90° 17' 07"W (NAD 83); X=2,333,741', Y=264,971' (NAD 27); Begin dredging @ avg. cut': Lat 29° 22' 38"N, Long 90° 16' 52"W; End dredging @ avg. cut 1': Lat 29° 23' 11"N/Long 90° 16' 53"W; Begin dredging @ avg. cut 3.5': Lat 29° 23' 11"N, Long 90° 16' 53"W; End dredging @ avg. cut 3.5': Lat 29° 23' 29"N, Long 90° 17' 07"W.

DESCRIPTION: Proposed location will use access route previously permitted under P20070869, dredging and associated appurtenant structures upon the successful completion of LL&E Well Golden Meadow Well No. 239. A channel (70' x 6,941') will be dredged for access, and a slip (160' x 327'). Approximately 37,488 cubic yards of native material will be disposed through dredging. An additional 47 cubic yards of material will be displaced through lowering of flowlines. Eight temporary 3-pile clusters will be installed to assist with barge location. Upon the successful completion of the well, a well head protection structure measuring (7' x 16') will be installed.

4. APACHE CORPORATION

CUP NO: P20101432

LOCATION: Lafourche Parish, LA; Golden Meadow. Section 69; T19S-R21E; LL&E 69-1 Prospect: Lat. 29° 23' 54"N, Long, 90° 18' 50"W,(NAD 83); X=2,324,650', Y=267,385' (NAD 27); LL&E 69-2 Prospect: Lat 29° 23' 56"N, Long 90° 18' 53"W (NAD 83); X=2,324,400', Y=267,660' (NAD 27).

DESCRIPTION: Proposed rock pads (75' x 230' x 233'), excavation (42' 230' & 61' x 180'), spoil placements (35' x 230' & 90' 253'), pile cluster, wells and timber keyway structures to serve the Apache Corporation 69-1 & 69-2 Prospect Wells. Eight temporary 3-pile clusters will be installed to assist with barges location. Four temporary 3-pile clusters will be installed to assist with moor barges during drilling operations. Upon completion of the wells a well protection structure (6.5' x 14') will be installed. Approximately 2,675 cubic yards of fill will hauled in for rock pad. An additional 1,557 cubic yards of excavated material will be required. *Approximately 1.42 acres may be impacted as a result of this project activity.

5. APACHE CORPORATION

CUP NO: P20101438

LOCATION: Lafourche Parish, LA; LL&E 69-3 Prospect Well @ Lat. 29° 24' 19"N, Long, 90° 19' 35"W (NAD 83); X=2,320,615', Y=269,925' (NAD 27); Section 69 T19S-R21E; Bayou Monnaie, Golden Meadow Field.

DESCRIPTION: Proposed excavation (133'x110') for installation of a drilling barge to serve the LL&E 69-3 Prospect Well. Also, installation of a rock pad (179'x75') and eight (8) temporary 3-pile clusters to assist the drilling barge. Upon completion of the well, the 3-pile cluster will be removed and a 14' x 6.5' timber keyway structure will be constructed to protect the well. Approximately 2,058 cubic yard of native material will be excavated and placed in open water adjacent to the bank line to create wetlands. Approximately 1,215 cubic yards of crushed stone or gravel will be required for rock

pad construction. *Approximately 0.85 acres of non-vegetated water bottoms may be impacted as a result of this proposed activity.

6. GREATER LAFOURCHE PORT COMMISSION

APPLICATION NO: MVN-2010-02605-MV

LOCATION: Lafourche Parish, LA; Airport Road, Galliano, LA, Lat 29° 26' 40.88"N, Long 90° 15' 40.62"W, T19S, R22E.

DESCRIPTION: The proposed project consists of the installation of fencing at the South Lafourche Leonard Miller, Jr. Airport (Airport) in Galliano, Louisiana for the purpose of providing improved security at the Airport and for excluding wildlife that can be hazardous to aircraft operations.

BOARD ATTORNEY

Attorney Bryce Autin offered the following report:

I've been working with the engineers on the west side right-of-way issues. I will be negotiating donations and servitudes and will be ready to take action when the board is ready.

Mr. Curole added that several landowners have complained about the appraisals to their property and feel that the price given was unfair. Therefore, secondary appraisals have been lined up. Mr. Curole continued saying if the appraisals remain close to the first appraisal, we would stay with the same values. If we see a substantially higher appraisal, we will change to the higher appraisal. If the appraisal comes in lower than our current appraisal, we will stay with the one we have now. The property value is based on Fair Market Value.

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.

PERSONNEL COMMITTEE

UPDATED PERSONNEL MANUAL

Chairman Monty Vegas announced that since leaving Civil Service, ongoing amendments have been made to the Personnel Policies and Procedures Manual. He stated that the Personnel Committee has reviewed the current adjustments and recommends the board accept these changes as presented.

On a motion of EJ Gremillion, seconded by Mitch Danos and unanimously accepted, the board approved the changes to the Personnel Manual as per the Personnel Committee's recommendation.

President Callais offered the floor to Representative Jerry Gisclair. Mr. Gisclair presented a question to the board as to how they planned to enforce the deadline and stop landowners on Jan. 10, 2011 if they continue to remove materials from the right-of-way. Mr. Curole stated that we would ask the landowner to stop. If they do not comply, then the Board would go to the courts to request an injunction. President Callais added that once the property is appropriated, it belongs to the Levee District. Anyone who has removed material from the property will be liable to the Levee District. This is scheduled to take effect on January 10, 2011.

OLD BUSINESS

Mr. Curole reminded the board that the Equipment Committee needs to meet to discuss a maintenance program for the pumps. Mr. Clarence Marts agreed that he would set up a meeting in the month of December.

NEW BUSINESS

There was no new business to discuss.

With no further business to discuss, the board unanimously adjourned the meeting on a motion by Roy Gisclair and seconded by Mitch Danos.

s/Ronald Callais, President

s/Windell A. Curole, Executive Secretary