

Artificial Reef Council

July 2014 Meeting

LDWF Headquarters, Baton Rouge, LA

Attendees:

- Chris Auer/FMOG/Crevalle (cauer@crevalleusa.com)
- Mike Parker/Parker Enc. (parkerenc@gmail.com)
- Jerel Gilmore/TSB Offshore (jgilmore@tsboffshore.com)
- Doug Peter/BSEE (douglas.peter@BSEE.gov)
- Doug Frost/Exxon Mobil (douglas.frost@exxonmobil.com)
- Eva Gravouilla/Stone Energy (gravouillaek@stoneenergy.com)
- Gary Siems/Stone Energy (siemsgl@stoneenergy.com)
- Clint Guidry/LA Shrimp Association/LA Shrimp Task Force (TClint@cox.net)
- Rebecca Triche/LA Wildlife Federation (Rebecca@lawildlifefed.org)
- Cheryl Powell/Fieldwood Energy (cherylpowell@fwellc.com)

1. Mike McDonough introduces himself as the Artificial Reef Coordinator and introduces the first agenda item which is to approve the minutes from the last meeting. A motion is made to approve the minutes and passes unanimously.
2. M. McDonough gives a brief update of the offshore program. The Artificial Reef Program (ARP) is now up to 74 offshore artificial reef sites, 48 of which are reefs within Planning Areas (2 are new since last year), 18 Special Artificial Reef Sites, and 8 deep water reefs. Clarifies that what is special about SARS is that they are reefs outside of Planning Areas. The Program has 336 jackets, 8 drill legs, and we deployed 18 oil and gas structures in 2013. The Program's current projects include 5 permitted reefs; one is for deepwater for our existing SARS applications, we have a total of 72 platforms that have been proposed for reefing within the ARP, 46 of those have existing permits and 26 are at some point in the permit process. We have added one more inshore reef bringing the ARP total to 32. That was the Laketown project off the fishing pier in Kenner that was damaged by a Hurricane. The reef was built within casting distance of the pier. The ARP is currently funding three research studies, two of which are being conducted by Dr. Cowan. One study is looking at standing vs toppled platforms and the second is an add- on study

looking at lit vs unlit platforms and this would be a well-lit platform, not just lit for navigation. The ARP has also funded a nearshore platform study with Dr. Ed Chesney at LUMCON. One of the projects we have been working on is the Pickets. They are some platforms in Ship Shoal 26 that are a popular fishing destination. The lease had expired and the structures were supposed to be removed in 2013. The Department at that time came to an agreement with Apache, which is now Fieldwood Energy, to delay the removal of the platforms so that we could put something in place of those platforms that would maintain its status as a good fishing spot. The ARP is currently partnering with CCA, Apache, and Fieldwood to try and put in some reefs to replace some of the structures in that area. We did get an objection from Ridgelake, which is the current lease holder for Ship Shoal 26, however, we have met with both Ridgelake and BOEM about coming to an agreement and it looks as though we are going to come to an understanding where they will remove their objection and we are still going to be able to get the permit. The primary concern is that the reef be able to coexist with their right and responsibility to develop the lease for oil and gas into the future. I am showing here a series of drawings with what we are proposing to do there. This drawing is a 340 acre box. This was the initial proposal which may have been taking up a little more space than Ridgelake was comfortable with. We have updated this to do three smaller reefs instead which are associated specifically with some of the structures that are already there. We are likely going to move the southeastern reef so that it doesn't interfere with the oil exploration that Ridgelake wants to do. The overall water depth in that area is about 9-10 feet. The ARP aims to build a reef here with 6 feet of profile. Take questions.

- A woman asked about the number and location of deepwater reefs. Mike explained that the Program has 8 deepwater reefs that are coast-wide. Most are located off the eastern side of the state in Mississippi Canyon, Eugene Island, Green Canyon, and Garden Banks.
- 3. R. Pausina asks M. McDonough to give an update on the Ewing 947 structure. McMoran owns a structure in Ewing Banks 947, it is the A structure. It was toppled by Hurricane Gustav. Because it was toppled by a hurricane it did not exactly fit BSEE interim policy document which said no toppled structures. The Department felt that it was a good opportunity for us because it was already in our deepwater realm where we don't have the problem with user conflict, which is one of our key problems to avoid. The Department wrote a letter of support to BSEE in support of McMoran's application to reef. We have received an answer that BSEE was still not going to allow the reef to happen.

4. Chris Auer mentioned that they had asked BSEE for the reasons the structure was not accepted. The reason they were given was BSEE feared the jacket would move and hit neighboring pipelines that were essentially a mile away. We don't really understand but at this time we are on location working on well stubs and picking up debris. We cannot get a common sense answer as to why they won't accept the structure.
5. M. McDonough clarified because the recording was unable to pick up everything said by Chris Auer. I was told that BSEE's primary objection was to keep the structure from potentially moving to pipelines that you feel are far away and uphill, however, you are on site picking up well stubs and likely to pick up the structure at this time.
6. D. Peter from BSEE comments that this proposal was reviewed by a number of people in the BSEE group and the opinion was that it didn't meet the reefing policy.
7. R. Pausina asks D. Peter what the protocol is with dealing with "grey" situations like this in a black and white world. In the Department's opinion, this situation seems to fall into a grey area. Maybe this is something we can look into in the future, even if this structure has to be removed. How do we set up exceptions? Is there a protocol for appeals? What can we do as a next step, because it does not make sense to remove this structure? R. Pausina feels that the structure wasn't accepted based on a technicality.
8. D. Peter comments that he was not involved in all the discussions pertaining to this reef. There are engineers within BSEE that are involved who looked at the structure's stability and the area where the structure was to be placed. The structure was originally picked up and moved from the original site and so there were some stability concerns. All these things were taken into consideration and that is why their opinion was still upheld that it would not be allowed to be reefed.
9. R. Pausina asked D. Peter if there is an opportunity for us to meet with these decision makers from BSEE.
10. D. Peter states that that is something you would have to put forth to them. He knows that the Department wrote a letter of support and they responded to the letter.
11. R. Pausina asked Chris Auer where we are with deadlines on this project.

12. C. Auer stated that what they need to do now is file the permits to have the structure reefed and go to a permitted area.
13. R. Pausina said that the Department will look into what our next step will be regarding this matter. He would like to see both letters (from the Department to BSEE and BSEE's response) up on the Programs website. We will reach back out to BSEE to see what else we can do.
14. C. D'Elia echoes that he doesn't understand why an appeal process does not exist.
15. R. Pausina states that the Department will keep asking BSEE on this issue.
16. M. McDonough announces the next item on the agenda is an update on the Inshore/Nearshore Plan and the inshore maps which are both online. He sent public comments that the Program received (4 favorable/1 not favorable/1 hoping to clarify language in the Plan). Stated that he took some of Nick Odinet's comments from Chevron, who wanted clarification on the 6 foot clearance when vessels are fully loaded, he added a line that says when operating in a public oyster seed ground, so that if we are doing a nearshore reef in 30ft of water we can have vessels that are adept to operating in that kind of area. Nick also pointed out that we needed 85ft of clearance, which was not changed because the Department does not dictate the 85ft clearance. That guidance always comes from the Coast Guard. The not favorable public comment expressed that funds would be better spent on marsh restoration.
17. R. Pausina gives a recap of the ARP offshore Artificial Reef Plan and explains how there was never an official plan created for nearshore and inshore areas. Nearshore being within the 100ft depth contour and the beach inward for inshore areas. Initiatives to have a plan like this in the past have fallen through and we are again trying to get the ball moving on this. This will help us to use funding and materials that become available for inshore/nearshore reefs and we need to move quickly, not having to have public meetings across the state. The plan was to create an Inshore/Nearshore Plan that is very similar to the Offshore Plan with preapproved permitted areas. We are just going to address the inshore segment today and hopefully take some action. We are still waiting on shrimp trawl track data from Dr. Benny Galloway for the nearshore part of this Plan. We will postpone this part to a future meeting and focus on inshore today, which we have maps around the room on the walls. The maps have every existing artificial reef we've done to date. The existing reefs are identified in red with a yellow circle around each them expanding the area by 50 acres. What we are proposing today is the Inshore

Artificial Reef Plan that is posted on the website with the changes made to the Plan that Mike mention earlier and the accepting all of the expanded areas into the Inshore Plan. We would like to move forward on that today. We will take up the nearshore section of the Plan at future meeting once the rest of the data are in. Opens up for any public comment.

18. Clint Guidry comments that we should continue to all work together (various task forces and associations) to approve these areas and similar to the comments I made with the new oyster program, is in regards to hazardous navigation. We need to make sure these reefs are properly marked to avoid collisions.
19. R. Pausina comments that there are two issues with marking the locations which one is what we are required to do by law from the Coast Guard mandates and also that it has been the position of the Agency prior to 6.5 years ago to try and not mark anything. At the time, I think the opinion was that marking reefs created more liability and more hazards, but that is clearly not the Agency's position anymore. We have been trying to turn around the Program and have more outreach and visibility. One of the Council members asked before the meeting about adding more areas in the future. The answer is simple. If we move forward today, this is what is going to be blessed for inshore. If a new area was to come up, we would have to go through the whole process again. We would post in on the website, take public comment, and we would hold another meeting. If everything was fine, we would adopt it. If everything was not fine, it wouldn't be adopted.
20. R. Twilley asks, assuming the inshore portion of the Plan is approved today, give us a little idea of the process if an opportunity is brought forth. Say there is some funding and materials available. Do we have to bring it to the Council and move forward?
21. R. Pausina says the beauty of this Plan as that it gives the Agency the freedom to act without having to come back to the Council, everything is pre-approved. This is how the offshore program works. Companies just deal directly with M. McDonough. That would be the same thing here. The only difference would be if it was a new area that was proposed, then we would have to go through the whole process. To give an example, DOT has called in the past and said we have some material (e.g. old highway), pilings, etc. or CCA will come a long and has a Chapter that did a fundraiser and wants to build a reef in an area. What I think we would do is activate all these permits to speed up the process if that is doable.

22. R. Twilley wants more clarification on the process if an opportunity or project comes along.
23. R. Pausina explains that the project will not have to be brought back to full Council.
24. M. McDonough explains that in this case, once the plan is approved, the next step is to apply for a joint permit through the Army Corps and the Department of Natural Resources for those expanded areas around existing inshore reefs. Once we have that permit, if CCA or another conservation group came to us with a project for that area, we would say we have a nice large permit area in this bay, we would be able to go ahead and deploy this reef in an area pre-approved by the Council.
25. R. Twilley states that in a way, this proactive process actually provides people opportunities to actually look and design projects and when the money comes along, implement them. I really congratulate the Program. It gives people a sense of direction when these opportunities come up.
26. C. Guidry makes a couple more comments. States that in conjunction with CPRA money and building islands (gives the example of Cat Island in Baratavia Bay) he had suggested in the past that if we were to build a reef you build it coming off of an island to help the island which has nesting birds. Also, most user groups including his fishermen are familiar to where preexisting land masses used to be. He suggests putting more reefs where land masses used to be instead of just placing them in popular fishing spot in the middle of the water. Also mentions the issue of inspections of existing reefs. There was an accident in the past of a boater hitting some rebar over an artificial reef (California Point reef). He asked who does the inspections.
27. M. McDonough states that the last few reefs were done in conjunction with CCA and they contract the material. The Department does its best to make sure the materials fit our specifications and that clearances are met afterwards. We require a survey to be completed afterwards to make sure that the materials meet the clearances. I can't say that nothing ever slips through the cracks, but that is the process we have.
28. C. Guidry reiterates that a system needs to be put in place to make sure that any steel or metal material that may be mixed in with concrete or other materials used in artificial reefs is taken out before placed in the water to avoid boater accidents. He believes such an accident happened in Breton Sound.

29. R. Pausina comments that the Department can look into developing a more formalized process for surveying the reefs afterwards. Asked if the company which put in the reef had to go back and knock down/move around some material at the reef C. Guidry mentions.
30. M. McDonough said that this did happen.
31. R. Pausina goes on to mention that the potential for a BP settlement is another part of this puzzle of being progressive with funds allocated to human/recreational use. In places like Florida and Alabama, recreational use has mostly to do with beaches whereas here in Louisiana, it has to do with fishing. The ability to have another funding source outside of the Artificial Reef Program with money coming in gives us the ability to rapidly get some projects completed nearshore and inshore. Nearshore is where we want to focus a lot in the future, particularly if that funding comes in because there is that gap between that point from when you leave the beach until you get to the deep water for these artificial reefs. We could really take advantage of that especially now that the State claims 10 miles. (27:15)
32. C. D'Elia asks if there are clear criteria for adding artificial reef sites across the state under the Inshore/Nearshore Plan and is that is clear to the public.
33. M. McDonough answers that yes it is clear in the Plan. That clarity was one of the main goals in writing the Plan.
34. R. Twilley moves to accept the inshore portion of the Inshore/Nearshore Plan. It is seconded by D'Elia and R. Pausina votes to accept. The motion carries.
35. D'Elia and R. Pausina clarify that what they are accepting is the inshore portion of the Plan and the maps with the existing reef sites being extended 50 acres.
36. M. McDonough opens the floor for other business.
37. G. Siems asks for an update on the nearshore portion of the Plan.
38. M. McDonough answers that the ARP is waiting for the shrimp trawl data. Explains that the Department had to write a contract in order to obtain those data.

39. R. Pausina further clarifies by explaining that Dr. Ben Galloway conducts vessel monitoring work for the federal government of the offshore shrimping fleet in federal waters who are required to have a federal shrimping permit. Galloway sub-samples these fishermen who have sort of a black box on their vessels which tracks their movements. So to help us determine the best locations to put the nearshore planning areas, we are going to overlay those tracks to find shrimping hotspots. This is in addition to the Louisiana Shrimp Associations data including their trip ticket data, anecdotal and historical information, as well as navigation and pipeline information. These tracking data from Dr. Galloway have to be manipulated to serve our purpose and we had to get a contract in order to have that completed and this is the reason for the delay. It should not be too much longer from today that we obtain those data.
40. M. McDonough explains that what these data would look like on a map is relative effort per OCS block. So we go on a given OCS block and based on the shading from zero trawls to many trawls per year depending on what the data show, showing relative intensity per OCS block.
41. Audience member asks if the planning areas will be outside the areas of normal trawling activity.
42. M. McDonough answers by saying that is in fact the general idea.
43. R. Pausina goes on to say that this will help the Agency put something on the table and say that this is what we recommend based on all these exclusion and then we can debate it from there.
44. C. Powell asks if the ARP can give an idea of how big the nearshore planning areas will be and how many? Also, will there be the ability to reef in place structures outside of the nearshore planning areas like SARS in the offshore program?
45. M. McDonough answers that the Agency has discussed anywhere from 4-5 planning areas and the size is something that is going to emerge from the process moving forward. For SARS, that decision will come after we decide on the nearshore planning areas. However, in the future any structures that are proposed outside of predetermined areas would have to go back through the full ARC process.
46. R. Pausina states that he would anticipate anywhere from 4-6 nearshore planning areas that would be close to major fishing ports. Ask Mike to guess what the sizes would be.

47. M. McDonough guesses that they would be 150 acres give or take.
48. R. Pausina asks if a SARS in state waters would be a federal issue.
49. D. Peter says that SARS are a State of Louisiana issue. It is a construct of the LARP it doesn't have to do with the federal agencies position on Rigs to Reef. In our last policy, we removed a 5 mile restriction that allowed the establishment of artificial reefs that fit all the criteria.
50. C. Guidry points out that there have been disputes about SARS and fishing in the past.
51. R. Pausina says this is why we will plan to planning areas to avoid these types of issues. Any SARS proposal will have to go through the Council process.
52. M. McDonough goes on to clarify SARS by stating that at one point in time, BSEE did have a SARS moratorium. The most recent policy document didn't address SARS specifically, but the change in policy gave the ability for SARS to happen once again. The Department is not currently accepting SARS applications and we have discussed developing some new guidelines for the acceptance of SARS proposals.
53. R. Triche (executive director of the Louisiana Wildlife Federation) stood up and explained that the Board of this organization wanted her to bring up that there will be a constitutional amendment put forth to the voters in November to offer constitutional protection to the Artificial Reef Fund. Our organization will be promoting this and are very hopeful that it will go through. We were very frustrated that the fund was being raided 3 years in a row, so we took some action. This happened in the legislature last year and was scheduled to come before voters this year. You can help by making sure people know how important the fund is and we think it needs the protection and respect for the donations and the intent of ARP. It is a great program.
54. M. McDonough meeting adjourned.