

December 13, 2010

The regular monthly meeting of the Board of Commissioners of the Bayou Lafourche Fresh Water District was held on Monday, December 13, 2010 at 5:08 p.m. at the Water District office, 1016 St. Mary Street, Thibodaux, LA

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| Present were: Hugh Caffery, Chairman | Dr. Darby Chiasson |
| Gene Harrell, Vice-Chairman          | Larry Dugas        |
| Donald Arceneaux                     | Jake Giardina      |
| Ron Animashaun                       | Robert Thibodaux   |

Also present were: Leo Sternfels, Arthur J. Gallagher Insurance  
Michelle Robert & Kurt Brodtmann, CH2MHill  
Shannon Haynes & Ryan Hearn, OCPR  
Stacie Sagona; Nick Porto; Jerry Waguespack; Robert Mire  
Archie Chaisson, Jr., Director; Jana Langley, Admin.Coordinator

Mr. Leo Sternfels, Arthur J. Gallagher Insurance, reviewed the insurance coverage and premiums on all policies for the January 1, 2011 renewal.

Moved by Vice-Chairman Gene Harrell, seconded by Commissioner Robert Thibodaux to approve all insurance coverage and premiums for the January 1, 2011 insurance renewal, and to sign any documents necessary to bind coverage on the policies. Motion carried unanimously.

Kurt Brodtmann, CH2MHill, gave a progress report on the dredge project through December 9<sup>th</sup> as follows:

- Reach 1 – Approximate # of Dredged Yardage Removed 14,547 yd (100%)
- Reach 2 – Approximate # of Dredged Yardage Removed 3,630 yd (100%)
- Reach 3 – Approximate # of Dredged Yardage Removed 82,108 yd (85.5%)
- Reach 4 – Approximate # of Dredged Yardage Removed 103,789 yd (66.9%)
- Total approximate # of Dredged Yardage Removed 204,101 yd (53.8%)
- Stump Removal – Reaches 1-5 Complete
- Relo/Demo – 37 of 40 Planned Structures – 92.5%
- Remaining – DP-1 (0% Complete), DP-33 (95% Complete) and DP-36 (0% Complete)
- Project is 64% complete with 36% time remaining.

Chairman Hugh Caffery asked if the 64% work completed is taking into consideration that we overestimated the necessary dredge yardage. Mr. Brodtmann answered yes that the percentages shown are the agreed upon quantities after the pre-dredge survey. The new yardage is 379,138 cubic yards and that is down from the original contract of 550,000 cubic yards.

Mr. Brodtmann stated that the original design survey was made on conventional methods and then the contractor came in with a hydrographic technology survey, and that reduced the amount of dredged cubic yards which was agreed upon by both parties. Mr. Brodtmann advised

that compared to their daily reporting and approximations of work done on a daily basis it seems to be lining up pretty closely.

Commissioner Larry Dugas asked if they received approval on Reaches 1 and 2 yet. Mr. Brodtmann stated that in Reach 1 they reviewed the acceptance survey, and there are a couple of spots where the contractor needs to go back and re-dredge. Reach 2 was just agreed upon by the engineers, and the contractor needs to go back and complete some dredging within the six inch tolerance of the template.

Commissioner Jake Giardina stated that at last meeting they said that there was a difference between what was estimated and what was actual because they had used LIDAR drawings as opposed to actual. He stated that he remembers when they made the trip by boat CH2MHill had a hired survey crew, and he thinks they did cross sections every 100ft. He asked how they could have been so far off in calculations if cross sections were done every 100ft.

Ms. Michelle Robert advised that what they did originally was they had the surveyors go out and do cross sections every 100ft. and they came up to 5ft. away from the water line. This is where they went and capture this additional survey. LIDAR was used on the slopes and because LIDAR was used, it was showing that the banks were higher and actually they were lower. They used the five-beam with the pre-dredge survey and were able to get more spots in the channel than using 100ft. cross sections. Those two things accounted for the difference in the overestimate of the dredge material.

Ms. Robert stated that from this they are seeing that with all the changes the project will realize \$5.5 million dollar savings, which is not just the sediment but other change orders that they initiated with F. Milller. They wanted to talk to the Board today that with that additional savings they are asking F. Miller to roll it all into one change order, and also provide us with how much further they could go down the bayou with the project with that savings.

Commissioner Jake Giardina advised that it was surveyed and we paid for all of that, and in truth and in fact with LIDAR you pull that off the computer. He stated that what is confusing is that we are talking a yardage differential of 30%, and yet you paid a lot of engineering fees for this and to be that much off on the project something is wrong.

Moved by Commissioner Robert Thibodaux, seconded by Commissioner Ron Animashaun that the Bayou Lafourche Fresh Water District is in favor of using all available funds to extend the current Bayou Lafourche dredge project as far down the Bayou as possible; this includes all options to extend the project and any Change Orders as necessary with F. Miller, and, authorizing our Chairman to execute any Change Orders needed to make this effective. The Chairman asked for any further discussion on the motion.

Ms. Robert stated that in the plans it stipulated that this pre-dredge survey would be completed by the contractor, and the reason is because the payment for sediment removal is measured on the difference between that higher quality pre-dredge survey matched against the template.

Commissioner Larry Dugas asked how the sewer line relocation will affect how far we can go down the bayou because we are talking about \$100,000 or more coming out of the project. He was answered that the sewer line relocation will be absorbed in the cost of the change order.

Commissioner Jake Giardina asked if we are going according to what the contractor is telling us the bottom depth of the bayou is based on a sonar reading. It seems like you have thrown out the survey that we did, and we accepted the continuous survey that the contractor has done. He asked if anybody is checking to see that the contractor has gone to the proper depth that was designed. Ms. Robert stated yes T. Baker Smith is riding along with them when they are doing the surveys, and they are providing the information to them.

Chairman Caffery asked how is T. Baker Smith's survey independent of the contractor. Ms. Robert stated that they don't have equipment necessary. She advised that they are with CLE, which is F. Miller's survey crew. They are going with them and taking those acceptance surveys.

Commissioner Jake Giardina stated you mean to tell me that you folks as the engineers on this job are not doing cross sections to make sure it is right, either you or a subcontractor to you. Ms. Robert stated that the way it is set up the subcontractor, T. Baker Smith, is with CLE's survey crew when they are doing the acceptance survey.

Commissioner Jake Giardina advised that he is surprised that somebody isn't checking that we are looking at only the contractor's data from the start to the contractor's data to the finish, and nobody is actually going in there and saying yes that finish curve that is on the data given to me by the contractor is actually right because we have actually going down to the bottom and up with a rod or a GPS or something else and have measured that bottom depth. You could be coming out with a lesser depth than what we intended it to be, and are being paid for yardage to be moved that might not have been moved. He stated that he is surprised that you folks as the engineers don't have a better handle on it. Ms. Robert stated that the scope was determined not only by them.

Mr. Chaisson questioned the \$5 million dollar savings. Ms. Robert advised that Change Order No. 1 was for \$1.3 million savings and that was issued after the contract was signed. The \$3.3 million reduction is for sediment, and \$750,000 reduction for concrete, and there are some other miscellaneous things added. She advised that all the other change orders will be rolled into one change order, and it will be Change Order No. 2.

Vice-Chairman Gene Harrell asked about the Memorandum of Understanding that the Fresh Water District and CPRA is going to have with the city of Donaldsonville. He stated that the way he is reading it is it looks like Bayou Lafourche Fresh Water District is going to end up with some liability independent of CPRA if the city doesn't pay the bill. He advised that he would not be in favor of that.

Chairman Caffery asked if the cost of lowering the line that the project would pay for be included in the other change orders. Ms. Robert answered the sewer line cost would be Change Order No. 3. The sewer line would first have to be designed, and the available funds would be put in reserves to be sure that it is covered. Ms. Robert stated that because it is under \$150,000, F. Miller can hire a sub or do it themselves and it would not go out for bid

Mr. Chaisson asked if anybody from the legal side at the State figured out how the legalities of the sewer line reimbursement will work. Mr. Hearn stated that any legal reimbursement from the city will be tackled at a later date when their legal team has a chance to meet with the District and the city to determine what method would be the best possible way to get reimbursement. Mr. Haynes stated that they passed it through the attorney general's office and there were no red flags.

Commissioner Larry Dugas asked what happened to the timeline where F. Miller would charge an additional amount if they had to move ahead of the sewer line, and come back there at a later date. Mr. Brodtmann advised that he estimates they have roughly three months left in that reach. Mr. Hearn suggested that we call the mayor of Donaldsonville and ask him to request a timeline from GSA on the sewer line.

Commissioner Dr. Darby Chiasson called for a question on the original motion. Chairman Caffery stated that Commissioner Robert Thibodaux's motion was made and seconded by Commissioner Ron Animashaun, and he asked for a vote on the motion and the motion passed unanimously.

Commissioner Jake Giardina stated that he read our attorney's comment that was e-mailed to the Board regarding the fact that we are a governmental agency, and you can't finance another governmental agency or give them a gift. You can't as one governmental agency give something to another governmental agency. You cannot take \$150,000 out of this project and give it to the city of Donaldsonville and say one day you pay me. It is against the law in the State of Louisiana. He stated that we got to have that Memorandum of Understanding so that each party is getting something out of the deal.

Chairman Caffery asked that we present the first draft of the Memorandum of Understanding to the city of Donaldsonville and CPRA. Mr. Hearn stated that they will take our concerns back to their legal and see what they say about the Memorandum of Understanding. Chairman Caffery stated that we could resolve to present this to CPRA and ask their legal opinion considering Mr. Eroche's concerns.

Mr. Haynes suggested before we get the attorney's involved with this that a meeting be held with the city of Donaldsonville to discuss the options available, and to stress to them that we need to get this done right away and it is not something they can put off.

Moved by Commissioner Jake Giardina, seconded by Commissioner Robert Thibodaux and unanimously approved to send a letter to the city of Donaldsonville requesting to meet with them regarding the Memorandum of Understanding, and to discuss the options available regarding the sewer line relocation.

Mr. Chaisson asked Ms. Robert the status of the operations manual. Ms. Robert stated that they are holding off working on it until they get further down the bayou. Chairman Caffery suggested sending a letter to CPRA requesting the status of the operations manual.

Moved by Commissioner Dr. Darby Chiasson, seconded by Commissioner Jake Giardina to dispense with the reading of the minutes, and approve the minutes of November 15, 2010. Motion carried unanimously.

Moved by Commissioner Jake Giardina, seconded by Commissioner Larry Dugas to approve the accounts payable for November. Motion carried unanimously.

### **BAYOU OPERATIONS**

**Crews:** One crew working harvesters in thick hydrilla between K Mart and St. John Bridges. Second crew is outfitting the barges and excavator for work. Rigging included fabricating pad eyes for attaching to tug, welding pad eyes to barge for excavator/chipper tie down, and loading excavator onto barge.

**Equipment Status:** Trucks: all operational; Boats: all operational; Harvesters: both operational. Utility Barges: UB 1 moved south of weir to replace the small UB2. After the first of the year, UB 2 will be placed as surplus property and sold. Misc equip.: operational

**Personnel Strength:** Present: 6; Annual: Two crewman and Jana took annual leave over the Thanksgiving holiday. Sick: No extended sick leave used during the last month.

Accident/Incidents: 1-Involved A. Chaisson. While moving the barges to the shop area, barge grounded on mud flat. While repositioning mudboat to pull off mudflat leg became entangled in the tow rope and pinched the upper leg against side of boat. One loss time day involved. Accident reported to insurance carrier under worker's comp insurance.

### **PUMP STATION REPORT**

**River Stage:** Beginning November: 5.14; Ending Month: 4.7; Current Stage: 6.66

**Pump Operation:** No. Days Siphon: 0; No. Days Pumping: 30

**Station Maintenance:** General maintenance, yard work, chipping and painting. Installed new 20hp - 460 volt Electric Motor on #3-Vacuum Pump. Installed New Gear Pump on #1-Diesel Engine 25 gallon day tank.

**Personnel Strength:** Annual: One employee - 16hrs – One employee 36hrs  
Sick Leave – One man 1/2hr. Accident/Incidents: 0

Moved by Commissioner Jake Giardina, seconded by Commissioner Donald Arceneaux to approve the finance report. Motion carried unanimously.

Mr. Chaisson informed the Board in his monthly report that we are waiting on court verdict in the Car Shop issue. Judge Lanier will issue before 17 Dec.

Mr. Chaisson distributed to the Board the forms they need to complete regarding the financial disclosure laws passed. The Board needs to complete the form and mail it to the Louisiana Board of Ethics in Baton Rouge by May 2011.

Mr. Chaisson informed the Board that Mr. Louis Buatt with DNR will be at the January meeting to make a presentation regarding the Coastal Zone.

Mr. Chaisson stated that he received an e-mail from Mr. Charles St. Romain stating that he has not received the completed package from CH2MHill regarding the state lines.

Moved by Vice-Chairman Gene Harrell, seconded by Commissioner Jake Giardina to approve the Equal Employment Opportunity Policy effective January 1, 2011. Motion carried unanimously.

Moved by Commissioner Robert Thibodaux, seconded by Commissioner Dr. Darby Chiasson and unanimously approved to change the January meeting to Tuesday, January 18<sup>th</sup> due to a holiday.

Moved by Commissioner Jake Giardina, seconded by Commissioner Larry Dugas and unanimously approved the meeting adjourned at 7:00 p.m.

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Hugh F. Caffery, Chairman

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Ron Animashaun, Secretary/Treasurer