

# NEWS FROM THE DOCKS



ASSOCIATION OF LOUISIANA

*Louisiana Ports Deliver*

February 2010  
Vol. 11, No. 2

## Message from the PAL Office

We have to start this newsletter with talk about the New Orleans Saints! Congratulations on an absolutely thrilling season and on winning the Super Bowl!! The day after the game, the PAL office got three out-of-state calls from people who just wanted to talk about the game. They wanted to share in our excitement and to tell us they had been rooting for us all along. I can't think of another single event that has brought so much good will, enthusiasm and energy to Louisiana. It is amazing how much this means to New Orleans and the entire state.



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Conference plans continue and we are less than two months away. Make your reservations now by calling 800-535-9177 and asking for the Ports of Louisiana block of rooms. The rate is \$119 per night and that includes breakfast.

The agenda is being finalized and registration information is being developed. It will be mailed out and posted on our web site approximately 6 weeks before the conference.

Sponsorship opportunities are still available. Don't forget to mail yours in. If you need more information go to [www.portsoflouisiana.org](http://www.portsoflouisiana.org) and you will see a link to conference information. Sponsorship forms are on line.

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For those of you who are anxiously awaiting direction about the new tax incentive legislation, LED has advised us they are very close to developing rules and regulations for the infrastructure component of the program. Hopefully we will have a draft by the end of the month.

The cargo segment continues to be problematic with issues centering on the statutory requirement for the credit to be "budget neutral". LED is working with LSU economists and the Division of Administration to resolve many questions concerning this requirement.

## DOTD

### *Secretary Ankner Resigns*

Secretary William Ankner resigned on February 5<sup>th</sup> amid controversy surrounding the selection of a consultant to construct a widening project along a section of Interstate 10 through Baton Rouge. Ms. Sherri LeBas will serve in an interim capacity. Ms. LaBas has been serving as Deputy Secretary. She has been with the department for eighteen years and is a Civil Engineering graduate of LSU.

## Corporate Member News

### *Port of Iberia*

*Resweber Elected President of Port Commission*

The Port of Iberia Board of Commissioners recently elected Michael Resweber as president for 2010. This will be Resweber's fourth term serving as president. He was originally appointed to the commission by the City of New Iberia in 1996.



“Mike’s got extensive experience having been employed in the oil and gas industry for many years,” said Roy Pontiff, executive director of the Port of Iberia. “Plus, his long-time experience as a commissioner gives him the necessary background to really understand our business.”

Resweber hopes that 2010 will see progress with the U.S. Army Corps of Engineers on the long-awaited Acadiana Gulf of Mexico Channel. “We jumped through hoops to comply with what the Corps needed, and we got it approved by the U.S. Congress, which was a monumental task in itself,” Resweber said. “Then the Corps changed the yardstick. It’s frustrating that we have everything in place, and now the Corps wants to do more studies.”

He credited the efforts of Pontiff and consulting engineer Oneil Malbrough, along with the state government, for their continuing work in trying to get the new channel completed.

“Hopefully our Congressional delegation will keep the project on track,” he said. Resweber also hopes 2010 will be a better year for the companies that call the Port of Iberia home.

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*Jefferies Serves As Loreauville’s Commission Representative*

Since being appointed to the Port of Iberia Commission by the village of Loreauville last May, Gene Jefferies is still familiarizing himself with the ongoing activities at the largest and oldest shallow-draft port in Louisiana.

“I’m still learning a lot,” he said. “I’ve been sitting back trying to absorb as much as I can about the operations.”

He replaced commissioner Ralph J. Provost, who passed away in February of 2009.



Jefferies, 74, retired from the McIlhenny Company in 1999 after serving 22 years as Director of Agricultural Operations. During his tenure, he was responsible for the supervision of all pepper production in the United States and seven countries in Latin America. Although he’s only been on the commission for less than one year, his fluency in both Spanish and Portuguese has already served him well. He recently traveled to Costa Rica, where he presented in Spanish a plaque of appreciation to the Port of Limon.

“He helped us prepare the plaque in Spanish, and actually delivered it in Spanish during the ceremony,” said Executive Director Roy Pontiff. “The recipients were very appreciative. The international experience that he brings to the table is very significant to our business.” Before moving to New Iberia in 1977, Jefferies worked for five years in Brazil and seven years in Venezuela in agricultural research for the U.S. Peace Corps, the U.S. Agency for International Development and the Food and Agricultural Organization of the United Nations. He graduated from Arizona State in Animal Science and earned his Master’s Degree in Agricultural Economics from the University of Arizona.

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**Port Furchon**  
*Port Commission Elects New Officers*

At the February 10, 2010, Greater Lafourche Port Commission Board Meeting, the Commission elected its executive officers, who will serve in their newly elected positions for three years. The Board elected Larry Griffin as President, Jimmy Lafont as Vice President, Wilbert Collins as Secretary, and Johnny Melancon, Sr. as Treasurer.

Port Commission President Larry Griffin said, "I am grateful that my fellow commissioners have the confidence in me to re-elect me as president for the next three years." Griffin has served as president for the last three years and has been a commissioner for the past seventeen years.

Griffin, Collins, and Melancon retained their offices, and Jimmy Lafont replaces Donald Vizier as vice president for the

remaining three years of this board's tenure. Wilbert Collins has served as the commission's secretary for the last three years and has been a commissioner for ten years. Johnny Melancon, Sr. has been a commissioner for fifteen years and has been treasurer for the last six.

"I appreciate the opportunity to serve as Port Commission Vice President and will work hard to serve the port," said Jimmy Lafont, who has served as a commissioner for nine years, including a previous term as vice president of the board.

The Port Commissioners are elected for six-year terms by the citizens of the 10<sup>th</sup> ward of Lafourche Parish. The executive board's officers are nominated and elected by the board of commissioners every three years.

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*Port Fourchon is advertising for a port engineer:*

**PORT ENGINEER** – PORT FOURCHON, LOUISIANA

Compensation: Salary will be commensurate with experience. Excellent state employee benefits including 100% paid family medical insurance and state retirement.

Responsibilities: Managerial oversight of capital improvement and maintenance projects including strategic planning and grant applications, selection and supervision of engineering consultants, applications for required permits, compliance with bid and procurement laws, construction cost and time reporting, and project closeouts.

Credentials: Engineering degree and PE in related field required. Civil engineering preferred.

Applications: May be obtained from the Greater Lafourche Port Commission office at 16829 East Main Street, Galliano, LA, by calling 985-632-6701, by accessing our website at [www.portfourchon.com](http://www.portfourchon.com), or by emailing [cindy@portfourchon.com](mailto:cindy@portfourchon.com).

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***Port of Lake Charles***

R. Adam McBride, Port Director for the Port of Lake Charles announced that the United States Agency for International Development (USAID) has started booking shipments through the Port of Lake Charles of Louisiana rice for disaster relief to Haiti with 11,000 tons of rice and other grains arriving at the Port already.

The first booking calls for 4,500 tons of bagged rice which started arriving Saturday, January 16<sup>th</sup>. The rice was initially purchased as pre-position cargo which is part of the Public Law 480 Title II food aid program. The program provides for the donation of U.S. agricultural commodities by the U.S. Government for humanitarian food needs. The program's purpose is to put cargo into port(s) that are made available to meet extraordinary relief requirements in foreign countries. The Port was notified on Sunday, January 17<sup>th</sup> of a second shipment consisting of 6,500 tons of rice, in which some of the rice may be bagged at the Port's bagging facility.



“Since the devastating earthquake, the Port has been in contact with government officials, shippers, and ocean carriers offering the Port facilities as a distribution point to get aid into Haiti,” said R. Adam McBride Port Director, “USAID informed the Port that these cargoes have been put on the “fast track” to ship through Lake Charles to aid the ongoing efforts to get relief into Haiti”, McBride added.

Regarding other activity concerning Haiti relief efforts, McBride has been speaking with representatives of Friend Ships Unlimited, the Lake Charles-based humanitarian relief agency, about Port owned warehouse space to receive relief supplies.

“Community leaders, labor representatives, Port Commissioners and staff are all working together to provide as much support and help as we possibly can to those stricken by this disaster,” McBride said.

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### ***Port of Shreveport-Bossier***

#### ***Groundbreaking for Regional Commerce Center***

The official ceremony to break ground for The Port’s new Regional Commerce Center was held at 10:30 a.m. on Thursday, January 28. Speaking at the Ground Breaking were the President of The Caddo/Bossier Port Commission, James Pannell, Caddo/Bossier Port Commissioner, Jimmy Hall, Mayor Cedric Glover, Mayor Lo Walker, Theodore "Ted" Knight, Executive Assistant for Operations for The Port of New Orleans, Bossier Parish Police Juror, Wanda Bennett and Caddo Commissioner, John Escude. The facility is designed to support regional economic development.

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### ***Port of New Orleans***

Governor Bobby Jindal has appointed former Entergy New Orleans Chief Executive Daniel Packer to the Board of Commissioners of the Port of New Orleans. Packer will serve a five-year term, succeeding James O. Campbell, one of four Orleans Parish members on the regional Board, which governs Port operations in Orleans, Jefferson and St. Bernard parishes. Packer, who retired from Entergy in 2006, is currently President and CEO of Urban Solutions Inc., a multi-faceted firm involved with projects associated with an urban environment. He began his career with Entergy in 1982 as Waterford 3 Nuclear training manager. He later served as Waterford’s plant manager, becoming the first African-American to manage a nuclear plant in the United States. He was named the company’s CEO in 1998 and led the company through the aftermath of Hurricane Katrina.



Prior to joining Entergy, Packer was a senior engineer with General Physics Corp. and worked as a training coordinator with Connecticut Yankee Atomic Power Co. He also served in the U.S. Nuclear Navy Program from 1969 until 1975.

In 2005, Packer was honored as one of the “Most Powerful African-American Executives in Corporate America” by Black Enterprise, a leading business and investment publication. In 2001, he was the first African-American to become chairman of the New Orleans Regional Chamber of Commerce.

“I’m looking forward to this as a real opportunity to learn and to continue to serve the people of Louisiana,” Packer said.

Port President and CEO Gary LaGrange welcomed Packer to the Board and lauded his selection. “Mr. Packer will serve as a strong voice for the Port of New Orleans,” LaGrange said. “He works tirelessly for this region and I believe he will be a great asset to the entire Port community.”

A native of Mobile, Ala., Packer holds a bachelor’s degree in business studies from Charter Oaks College and a master’s degree in business administration from Tulane University. He served in the U.S. Navy from 1969 to 1975.

Packer was honored with the YMCA Black Achievement Award in 1988, Tulane University’s Weiss Award in 2001 and the Boy Scouts of America, Southeast Louisiana Council, Whitney Young Service Award in 2004. He is active in civic, social service and business groups and serves as chairman of the New Orleans Aviation Board for the Louis Armstrong International Airport.

He serves as a board member of First Guaranty Bank, and is a former member of the board of trustees for Loyola University New Orleans. Packer has also served on the boards of Keyston Energy, New Orleans Jazz Orchestra and the Fore!Kids Foundation. He is the former national chairman of the American Association of Blacks in Energy and was appointed by former Gov. Mike Foster to chair the Superdome Commission.

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## ASSOCIATE MEMBER NEWS

### *T. Baker Smith*



### *T. Baker Smith Partners with LSU to Develop a Storm Surge and Wave Monitoring Network*

T. Baker Smith (TBS) is a key partner in a research proposal Louisiana State University (LSU) has submitted to the Board of Regents for funding to develop a Mobile Storm Surge and Wave Monitoring Network to improve the prediction of hurricane impacts on coastal Louisiana.

The proposal builds on the extensive coastal modeling and monitoring capabilities at LSU, the experienced professional services offered by TBS, and the capability of measuring hurricane waves in the nearshore at University of Notre Dame (UND), which successfully developed and deployed coastal wave and surge gauges by helicopters in the 2008 hurricane season.

TBS participated in the first field operation of the joint LSU/TBS/ UND team for Tropical Storm Ida in 2009. The field operation involved the deployment and retrieval of five wave and surge gauges in Breton Sound. The data is currently being analyzed in depth and will be presented at the State of the Coast meeting in June 2010.

"Basically when everyone else is evacuating for a storm, we will be the only vehicles traveling towards the coastline to drop surge gages in the water for us to analyze and use for modeling after the storm," said Kenny Smith, President and CEO of T. Baker Smith.

In the past, there has been great success with wave and surge measurements using helicopter deployment seaward of barrier islands, but no measurements were made over the marshes and wetlands and near levees or other infrastructure. Thus, the proposed research is aimed to carry out coordinated field campaigns that include wave and surge measurements in both offshore and onshore areas in order to provide a coherent

dataset that will be used to improve computer models for storm surge and hurricane waves. The data can then be merged into computer models for coastal restoration and protection in Louisiana and beyond.

Dr. Q. Jim Chen, LSU Associate Professor of Civil and Environmental Engineering and the Principal Investigator of the LSU proposal said, "The strong partnership between LSU and TBS is essential to the success of this project. There is no doubt that the Louisiana engineering industry and coastal parishes will greatly benefit from the proposed environmental monitoring and modeling technologies for hurricane protection and coastal restoration."

T. Baker Smith, Inc. will contribute support financially and in kind to this proposed project. The contribution by the firm will supplement the state funds for supporting research personnel and purchasing wave and surge gauges. Furthermore, highly trained technicians from TBS will assist the university research team in the deployment and retrieval of the surge and wave gauges.

Kenny Smith, President and CEO of T. Baker Smith said, "TBS is committed to this research project. Our families, our firm, and our livelihood are located along the Gulf Coast; therefore, TBS has a vested interest in helping to monitor and model storm surge so we can improve the prediction of hurricane impacts on coastal Louisiana."

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### *Orion Marine Group*



*A Leading Heavy Civil Marine Contractor*

Orion Marine Group, Inc., a leading heavy civil marine contractor serving the infrastructure sector, announced it has acquired Texas-based T.W. LaQuay Dredging, LLC for \$60 million.

T.W. LaQuay Dredging is a specialty dredging services provider that focuses on near shore dredging projects primarily along the Texas coast utilizing hydraulic cutter suction pipeline dredging. Formed in 2000, T.W. LaQuay Dredging has quickly built a solid reputation in the Texas dredging market by providing quality

services on projects such as the dredging of the Gulf Intracoastal Waterway, ports, and inlets, as well as wetland creation, and shoreline stabilization.

"This is an exciting addition to the Orion Marine Group family," said Mike Pearson, Orion Marine Group's President and Chief Executive Officer. "We are proud to have the opportunity to continue the outstanding reputation T.W. LaQuay Dredging has developed."

As part of the acquisition, Orion Marine Group will take over T.W. LaQuay Dredging's fleet of dredges and associated equipment including two fully operational hydraulic cutter suction dredges, two under construction, state-of-the-art hydraulic cutter suction dredges which will be commissioned during 2010, three portable dredges, and several other pieces of associated equipment. The Company plans on deploying the dredges throughout its current operating area.

Also included in the transaction is most of the real estate used in the operations of T.W. LaQuay Dredging including an office and waterfront yard in Port Lavaca, Texas and a waterfront yard near Houston, Texas. Orion Marine Group intends to retain key management and operational staff.

"The acquisition of T.W. LaQuay Dredging provides additional dredging resources for increased deep-channel dredging capability as well as additional experienced personnel," said Mr. Pearson. "This opportunity comes at a strategic time in the industry due to the unprecedented level of US Army Corps of Engineers' project lettings and continued port development all along the Gulf Coast and Eastern Seaboard involving dredging services associated with the expansion of the Panama Canal."

T.W. LaQuay Dredging will immediately bring additional revenue opportunities to the Company. As a result, Orion Marine Group now estimates its full year 2010 revenue will be between \$390 and \$410 million and full year 2010 EBITDA margin will be in the range of 16% to 18%. Additionally, T.W. LaQuay Dredging will add approximately \$25 million of backlog to the Company.

With regard to 2009 full year results, due to the timing of project schedules, the Company

expects full year 2009 revenue will be at or slightly below the low end of its full year revenue growth goal of 12% - 16% as compared to full year 2008. Full year 2009 EBITDA margin is expected to be in the range of 16% to 18%. Additionally, the Company expects December 31, 2009 backlog to be up as compared with September 30, 2009 and December 31, 2008.

"This acquisition fits very nicely into the Orion Marine Group model adding additional revenue opportunities and the potential for strong EBITDA margins," said Mark Stauffer, Orion Marine Group's Executive Vice President and Chief Financial Officer. "As we look at the remainder of the year ahead, we believe T.W. LaQuay Dredging will be a solid operational addition to the Company, and be accretive in 2010."

## Legal News



## Wreck Removal

When a vessel is grounded or sunk in navigable waters of the United States the law places certain strict duties on its owner. Both the United States Coast Guard and U.S. Army Corps of Engineers are empowered to enforce these duties and find their authority in the Wreck Removal Act, a part of the Rivers and Harbors Act of 1899 (33 U.S.C. 409,411,412,414 and 415).

When a vessel is wrecked or sunk in a navigable channel, it is the duty of the owner, lessee or operator of the craft to immediately mark it with a buoy or beacon during the day and a light at night. The owner has to make all reasonable effort to locate the wreck. The duty to mark the wreck continues until the wreck is removed. The Act also provides that if the owner neglects or fails to mark the wreck, this is considered unlawful. The Act provides for both criminal and civil penalties.

Section 409 also requires the owner to take immediate action to remove the wreck. If the owner does not undertake removal, the wreck may be considered abandoned. In that scenario, the U.S. Government may undertake removal of

the wreck and then seek reimbursement of its costs from the responsible owner. The downside for the owner is that invariably the cost for the government to remove the wreck is almost always substantially more than if the owner had engaged a private salvor to undertake the removal. As with marking, if the owner does not undertake to remove a wreck that is a hazard to navigation, it risks prosecution which could result in criminal fines, and/or civil penalties. If the vessel is not a hazard to navigation, the owner may be able to get a waiver from the Coast Guard and/or Corps, but that is a rare occurrence.

The owner of a wrecked vessel who is guilty of failure to mark or remove his vessel is also liable for damages caused if another vessel collides with the wreck. Owners should also know that if the Corps of Engineers salvages the vessel, the Corps is immune from liability for any damages sustained by the vessel as a result of salvage operations. Part 414 of the Act gives almost complete discretion to the Corps on how to salvage and dispose of the wreck and then require the owner to reimburse the Corps its costs.

In cases where the owner can be identified, the Corps will pursue removal by the owner, regardless of which party may have been responsible for the wreck/incident.

When the owner is not determinable, the operator or lessee will be compelled to remove it. The owner cannot delegate liability by selling, transferring ownership, or abandoning the wreck. When a removal is not pursued diligently, federal removal is discretionary – dependent on a hazard determination and an assessment of risks.

In determining whether a wreck constitutes a “hazard to navigation,” the Corps has defined it as an obstruction that presents sufficient danger to navigation so as to require expeditious, affirmative action such as, marking, removal, or realignment of the channel. Obstructions are evaluated as possible hazards to navigation using factors such as:

1. Location of the obstruction in relation to the channel;
2. Navigational difficulty in the vicinity;

3. Depth of water over obstruction;
4. Type and density of traffic;
5. Possible movement of obstruction; and
6. Characteristics of obstruction, including cargo.

With regard to abandonment of the wreck, this is defined as the surrender by the owner of all rights to the vessel and its cargo. It does not relieve the owner of his obligation to remove the wreck or of liability for damages caused by the wreck. The Corps of Engineers will not “accept” abandonment, although the declaration of abandonment will be acknowledged in writing.

In all cases other than emergencies, abandonment will be established as a precondition to Corps removal, to avoid a “taking” of private property. Abandonment is established by either affirmative action on the part of the owner to abandon or the failure of the owner to abandon or the failure of the owner to commence immediate removal and prosecute the removal diligently. Normally a lapse of thirty days with no action is sufficient legally to establish abandonment; however, the Corps policy is to provide thirty days after notification of the owner of his legal obligation. After the Corps establishes abandonment, a letter will be sent to the owner advising him that he may no longer undertake removal, or make any claim upon the vessel. The Corps will seek reimbursement from the owner for all removal and disposal cost in excess of the value of the recovered vessel.

In conclusion, the best course for the owner to follow in the wake of his vessel sinking is to take quick affirmative action to report the event to the U.S. Coast Guard and U.S. Army Corps of Engineers, to locate the wreck, mark it and formulate a salvage plan. Failure to do so may result in criminal liability, civil penalties and the prospect of receipt of a very significant bill from the Corps of Engineers for its salvage efforts.



**BY WILTON E. BLAND, PARTNER  
MOULEDOUX, BLAND, LEGRAND &  
BRACKETT.  
504-595-3000 OR WWW.MBLB.COM**

## America's Wetland



Defending one of America's most important assets, volunteers stormed Senate and House offices on Capitol Hill with commemorative footballs just days prior to the New Orleans Saints' historic march to the 2010 Super Bowl.

To illustrate Louisiana's valuable ecosystem, the America's WETLAND Foundation and Women of the Storm delivered more than 700 of the colorful miniature keepsakes with the message "BE A SAINT – SAVE OUR COAST – INVEST IN AMERICA'S FUTURE." to national leaders in Washington, D.C.

The six-inch footballs display a map of Louisiana to remind citizens that an average of a football field of land is lost each hour to coastal erosion, making communities close to the Saints increasingly vulnerable to the rising tide.

"We need the defense of our wetlands to match that of the Saints – strong, resilient, relentless and continuous," said Anne Milling, founder of Women of the Storm. "Because so much of what happens along this coast is tied to national energy, economic and environmental issues, no citizen can afford to let this valuable piece of real estate disappear. The consequences of inaction on the part of the nation are too great to imagine."

As the Saints made their way to Miami for the Super Bowl, they continued to champion the cause to save coastal Louisiana. The New Orleans Saints organization showed support during the recent NFC Playoff, hanging banners in the Superdome to "Save America's WETLAND" and handing out miniature footballs.

"We want the world to know that because of eroding wetlands, Louisiana loses the equivalent of a football field of land every hour, which impacts consumers nationwide," said Saints Owner/Executive Vice President Rita Benson

LeBlanc, who is a member of Women of the Storm.

The Foundation also reconnected with South Florida media, who a year ago covered the initiative, "Last Stand For America's WETLAND," linking communities from Florida to Louisiana who have faced the consequences of dramatic storm events and hurricanes and whose coasts remain vulnerable.

### MARK YOUR CALENDARS

March 2-4, Inland Waterways Conference, Hyatt at the Arch, St. Louis, MO. [www.inlandwaterwaysconference.com](http://www.inlandwaterwaysconference.com)

March 4, 2010, PAL Monthly Meeting, 10 am, L'auberge du Lac Hotel, Lake Charles

March 16-17, 2010 Hurricane Conference, Baton Rouge, LA, Lod Cook Alumni Center, LSU. Hosted by LSU and NOAA

March 30 – April 1, 2010 – PAL Annual Conference, New Orleans, Maison Dupuy Hotel – 1-800-535-9177

May 6, 2010, PAL Monthly Meeting, 10 am, Richmond Suites, Baton Rouge, LA

## Welcome New Members

This month PAL welcomes another new associate member:

**Honeywell** is an security manufacturer and systems integrator located in Golden Valley, MN. They will be represented by Mr. Todd McNabb.

