

NEWS FROM THE DOCKS



ASSOCIATION OF LOUISIANA

Louisiana Ports Deliver

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Message from the PAL Office

Have you registered yet? The conference is just around the corner and we are getting excited. The agenda has been set and it promises to be informative and entertaining. Go to our website at www.portsoflouisiana.org to view all of the details, obtain sponsorship information and to register.

Louisiana historian Buddy Stall has agreed to be our luncheon speaker. He is always full of amazing information about Louisiana, particularly New Orleans. Don't forget that our luncheon on Wednesday will be at world famous Antoine's! Even the spouses' tour will be an educational experience as they walk through the French Quarter with local historian Peggy Culligan.

This promises to be a great conference. We hope to see you there!

DOTD

Introducing

DOTD Interim Secretary Sherri LeBas

Sherri LeBas was appointed as DOTD's Interim Secretary in February 2010 by Gov. Bobby Jindal. She has 24 years in state service in Louisiana: 18 years at the Department of Transportation and Development and 6 years with the Division of Administration.

In 2006 and 2007, LeBas served as the Assistant to the Secretary for Policy. Since the summer of 2008, Sherri served as Deputy Secretary overseeing the Capital Program, the surplus program, ARRA (federal recovery program),

legislative issues and potential changes and managing day-to-day business at DOTD.

Sherri holds a bachelor's degree in civil engineering from Louisiana State University and is a licensed professional engineer. She is a member of AASHTO, American Society of Civil Engineers, and Louisiana Society of Professional Engineers in Civil Service.

PAL wishes her much success and we look forward to working with her.

Corporate Member News

Port Fourchon

South Lafourche Airport in "Excellent Condition": Many Improvements since Port Commission Acquisition

The South Lafourche Leonard Miller, Jr. Airport has once again received an excellent Safety and Compliance Inspection report from Louisiana DOTD's Aviation Division, following a trend of growth and improvement since the Greater Lafourche Port Commission (GLPC) acquired the airport in late 2001.

The report's comments specifically mention the airport's recently opened partial parallel taxiway and the Port Commission's plans to extend it to full length. This taxiway is just one of the many projects implemented to improve the airport and open it up to larger aircraft traffic.

In the past eight years, the South Lafourche Airport has invested \$20 million from GLPC, FAA, and LADOTD funding for improvements including installation of fuel tanks, paving of airport roadways, construction of a 10,000 square foot hangar, and a runway expansion and overlay. The runway was expanded from 3800' x 75' to 6500' x 100', and the overlay increased maximum aircraft weight from 12,500

to 75,000 pounds. Thanks to these improvements, the airport is now capable of handling twenty-passenger jets, whereas its 2001 maximum aircraft capacity was 4-6 passenger piston-powered aircraft.

As a result of these aggressive improvements, the airport is showing aggressive growth. From 2008 to 2009, total aircraft activity at the South Lafourche Airport has increased 19%. Jason Duet, Manager of the South Lafourche Airport, reports that improvements continue, and the airport is in the process of beginning the second phase of an Instrument Landing System (ILS) that will serve as an additional navigational aid to pilots. This type of system is used at major commercial airports and is especially useful in inclement weather.

Port Director Chett Chiasson sees more and more organizations taking interest in the South Lafourche Airport, and he credits the Port Commission's commitment to the airport's expansion, its close proximity to Port Fourchon, and its location within the South Lafourche levee system. "It is on its way," said Chiasson, "to becoming the economic hub that the commission thought it could be when it purchased the airport."

The Port Commission also acquired 1,200 acres of additional property surrounding the airport for use as an industrial park. Property in the industrial park is currently being advertised. For more information on properties available at the South Lafourche airport, please contact Jason Duet, the Port Commission's Airport Manager, at 985-632-1118 or visit the Port's website at www.portfourchon.com.

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Port Fourchon Implements Command & Control System

The Greater Lafourche Port Commission announced the successful installation of a state-of-the-art software system that seamlessly integrates port-wide command, control, and communications functions. The system is installed at the Port Operations Office in Port Fourchon and the GLPC Administration Office in Galliano, and it permits interactive information sharing between the two facilities.

The new system combines a wide range of information, including vessel AIS traffic feeds, LA DOTD camera systems, Dynamic

Messaging signs, and infrastructure databases, into a single integrated command console that includes a touch screen interface. From this console the operator can identify and manage events that could affect port operations, allocate resources that could prevent/mitigate consequences, and coordinate multi-agency responses. "Once the Command and Control system is fully implemented," said Port Fourchon Harbor Police Chief Jon Callais, "Harbor Police officers will have access, literally at their fingertips, to information vital to their duties in securing the port."

April Danos, Director of Information Technology at GLPC, attended the Defense Industrial Base Critical Infrastructure Protection Conference in 2009, where the Office of the Assistant Secretary of Defense for Homeland Defense & America's Security Affairs (OASD (HD&ASA)) offered to extend the capabilities of the KDAS system for port-wide utilization in Port Fourchon.

The system uses technologies embodied in the Department of Defense Knowledge Display and Aggregation System (KDAS). Recognizing the importance of identifying and addressing threats to port security, Port Fourchon took the initiative to further secure itself with KDAS technology via funding through a Cooperative Endeavor Agreement with the LA Department of Transportation. This technology allows the port to discover threats and vulnerabilities more decisively and accurately than previous systems permitted. It enables focused preparation and protection strategies and effective law enforcement and emergency response actions. Mr. Chett Chiasson, Director of Port Fourchon, commented, "Given the strategic importance of Port Fourchon to maintaining national security, we are proud to be a leader in implementing this cutting edge technology for use by state agencies."

The Greater Lafourche Port Commission was established by the state of Louisiana in 1960 and exercises jurisdiction over an area of Lafourche Parish south of the Intracoastal Waterway, including Port Fourchon and the South Lafourche Leonard Miller, Jr. Airport. The new Command and Control system is part of an ongoing initiative to improve security and operations through technological enhancements.

The system utilizes an open framework for data integration and the operational sharing of information, and it was designed by Priority 5 Holdings. Planned future enhancements include the integration of NOAA and Virtual Louisiana products, hurricane tracking and forecast tools, and other port sensor systems.

Port of Lake Charles

Port names interim director -Legal counsel to hold seat until permanent replacement named

***BY ERIC CORMIER
AMERICAN PRESS***

Commissioners with the Port of Lake Charles decided to appoint the facility's legal consul, Mike Dees, as the interim port director.

The decision was based on the fact that Dees isn't interested in applying for the fulltime job. He intends to hold the seat — without a pay raise — until a permanent director is named.

While thanking the Port Board for its support during Monday's regular meeting, Dees said he's only interested in helping the port as the search continues for a replacement for retiring Port Director Adam McBride.

Dees will start serving on March 6. "I appreciate your confidence," he told commissioners. "I've been around the port since 1976 and have always served in some capacity. My nature is to offer what I can to help."

An hour before the regular meeting, port commissioners met in executive session to consider a course of action to replace McBride, who earlier this month announced that he would retire in March. McBride had previously consented to delay his retirement and assist in the search for his replacement, but decided it was best for the port and himself to move on.

Commissioner Walt Sanchez said that with Dees in the director seat, potential candidates won't feel like they don't have a chance to get the job. "He doesn't want the job, so this sends out the message to potential candidates that everybody will get an equal shot." Dees said he is "happy" to assist.

The Port Board also approved a measure to advertise for the director position. The deadline to apply is March 22. Commissioner Harry Hank said the same procedures that the port has used before to find candidates will remain in place.

West Calcasieu Port

West Calcasieu Port nominates 4 projects for FY2011 Appropriations Act

The West Calcasieu Port has submitted four infrastructure improvement projects totaling \$15.75 million for consideration in the FY2011 Appropriations Act.

The four projects included in the WCP's request are the expansion of the port's existing west barge basin, the construction of shoreline bulkheading, the installation of perimeter security fencing and the acquisition of land for port expansion.

"This week, our port director, Lynn Hohensee, forwarded packets of information on each project to Sen. David Vitter and Sen. Mary Landrieu," said Brent Clement, president of the WCP board of commissioners.

The packets were supported with letters of recommendation from the port's two largest tenants – Devall Enterprises and F. Miller Construction, a subsidiary of Orion Marine Group.

Clement said that Devall Towing, currently operates one of the largest barge fleeting facilities along the Gulf Intracoastal Waterway, and that demand for additional barge docking space is growing as a result of damages by heavy hurricane impact over the past five years, maritime business growth and industrial expansion in Southwest Louisiana.

He also noted that F. Miller Construction's parent company, Orion Marine Group, has made two significant corporate acquisitions since the first of the year and that it is anticipated that the maritime construction industry will continue to see business demand climb along the Gulf Coast.

At an estimated cost of \$4 million, the west barge basin project would add an additional 800

feet of new basin capacity – enough space for 30 additional barges.

“The barge basin expansion project would complement last year’s maintenance dredging on the existing basin,” Clement said. “We also have applied for a port priority funding grant for this project through the Louisiana Department of Transportation & Development.”

He also noted that additional bulkheading is needed at the port that would necessitate the installation of 1,200 linear feet of bulkhead and about 80,000 cubic yards of dredging at an estimated cost of \$6.25 million.

The third WCP request for funding seeks \$500,000 for the installation of perimeter security fencing and gate equipment, and the fourth request is petitioning for \$5 million for the acquisition of additional land for port expansion.

“Growing the port and developing the economy of Southwest Louisiana is very important to our board of commissioners,” Clement said, “and the support of federal funds provided through the FY2011 Appropriations Act, has the ability to play a strong role in helping the port participate in the vibrant expansion of the region’s economic base.”

Located 12 miles south of Interstate 10 on Highway 27, the WCP has more than 100 of its 190 acres available for development – much of the acreage includes waterfront access on the Gulf Intracoastal Waterway.



Current tenant activity includes barge fleet operations, maritime construction, diesel engine repair and maritime supply operations.

Port of Shreveport-Bossier

Port eyes new master plan

By Bobbie J. Clark • Shreveport Times • March 2, 2010

How much land is left for expansion at the Port of Shreveport-Bossier? What industries are best suited for the Port's infrastructure? What other sources of funding are available to the Port?

These questions and more should be addressed in the new master plan for economic development for the Port of Shreveport-Bossier.

The Caddo-Bossier Port Commission hired engineering firm Burk-Kleinpeter Inc. to put together the new master plan at a cost of about \$400,000, according to Caddo Bossier Port Commission President James Pannell. The project will include a strategic vision, capital improvement program, funding sources and phased development and an economic impact analysis, which will be done by Loren Scott, a Baton Rouge-based economist and professor emeritus of the LSU economics department.

The plan is on a 14-month schedule and will be under the direction of Randy Carmichael, a consultant with Burk-Kleinpeter based in New Orleans. The Port commission will get updates and be able to provide input when the commission meets for its operations and marketing committee meeting. Those meetings take place monthly.

The last master plan was completed in 1995. Port Executive Director Eric England said the previous plan focused on how best to capture available markets, commodities and economic development opportunities. The port has since accomplished all those goals, luring companies like Pratt Paper, Northwest Pipe and Omni Specialty Packaging,

England added, "As the port has continued to grow and purchased additional acreage, we feel we've reached a juncture where it's time to evaluate land-use development, strategic development, economic development as well as target certain markets," he said. "The new plan will identify not only adjacent properties, but also properties within the jurisdiction of the port, which are the entire parishes of Caddo

and Bossier."

The port has a total of 2,500 acres, with only about 300 acres left to spare. The new master plan will give them an idea about how to subdivide the Port's remaining tracts, England said. England said expansion beyond the Port's location off state Highway 1 in Caddo Parish will allow them to give potential tenants more options.

Pannell said the Port has some issues that, hopefully, the new master plan will address. "We're running out of land because we've had so much new industry moving in," he said. "Another major issue is our funds are drying up. We need to see what money is available out there."

The Port's operating budget is approximately \$3.1 million a year, which is paid by self-generated revenue. No public funds are used. However, the capital improvement budget is a different story. That budget is about \$46 million a year, primarily funded through the state's Port Priority Program, property taxes and the Red River Waterway Commission.

"The Port Priority Program is merit based and competitive with approximately 30 active ports in the state," England said. "The Port must exhaust all other funding avenues to stay in line and ahead of its needs."

Port of Morgan City

Bids on the first phase of the project, the Youngswood Site Development-Yard Improvements, were received on January 19th. The contract has been awarded to LA Contracting Enterprise, LLC of Thibodaux, who submitted the lowest qualifying bid of \$1.89 million.



Pictured signing a \$6.6 million Bond issue for the InterMoor development is Port of Morgan City Commission President, Mac Wade; Whitney Bank City President, Jim Corbett and Port of Morgan City Executive Director, Jerry Hoffpauir.

The almost \$16.0 million dollar project is the biggest construction project to hit the Morgan City area since the construction of Oceaneering's state of the art facility.

According to InterMoor statistics, not only will they retain 212 jobs over the next few years, but approximately 300 new jobs will also be added.

InterMoor is very important to the Morgan City/Berwick/Amelia region as well as to Louisiana. InterMoor is an international mooring company with offices in Amelia, Port Fourchon, Lafayette, Houston and 9 other locations around the world. In 2004 the company was bought by the Acteon Group from Norwich, England, UK.

In 2009 InterMoor discovered they had outgrown their present location in Amelia and began looking for sites to construct their new facilities. This search included Louisiana sites and also several Texas locations. During their search the news that they were contemplating moving to another State trickled to the Port of Morgan City, and the rest is history. The Port, through the state's Port Construction and Development Priority Program, was able to provide \$6.6 million in state funding. Another \$1.5 million in funding is being provided by the Louisiana Department of Economic Development through their EDAP program.

By DOTD and the LDED reacting immediately and decisively, a large company was convinced to stay in the State of Louisiana, not only preserving jobs but a way of life as well. The Port was also able to acquire from the Federal Economic Development Agency a \$3.5 million matching fund Grant.

InterMoor is the only mooring company worldwide that offers full service temporary and permanent mooring solutions. This includes engineering systems design and installation, provisions for mooring systems lease and sales, installation crews and supervision, and inspection, maintenance, and repair of mooring components. All InterMoor anchors, followers, grapple hooks, and other mooring equipment used worldwide will be manufactured and shipped from the new facility.

Construction of the facility is underway and InterMoor expects to be fully operational in their modern facility in April of 2010.

Legal News



Duty of a Berth Operator

Every year the Lower Mississippi River experiences high water. This year the prediction is for uncommonly high water for an extended duration. High water or not, ships still call on our ports. Mooring heavily laden bulk carriers in midstream buoy systems or in more traditional berths at a dock can be a tricky business in such conditions. What are the obligations owed by the berth owner/operator (wharfinger) to a ship that intends to moor at its facility in such conditions?

As a general rule, the dock owner is under a duty to exercise reasonable diligence to furnish a safe berth and to avoid damage to the vessel. The dock owner is not, however, the guarantor of the safety of the ship coming to its berth. The wharfinger's duty does include the duty to ascertain the condition of the berth, to make it safe or warn the ship of any hidden hazard or deficiency known to him or which, in the exercise of reasonable care and inspection, should be known to him and not reasonably known to the ship owner. *Smith v. Burnett*, 19 S.Ct. 442 (1899)

Taking this ruling a step further, the U.S. Court of Appeals in *Bunge Corp. v. M/V FURRESS BRIDGE*, (1977) made it clear that the wharfingers' duty to warn applies only to "any hidden hazard or deficiency," and that no warning is required where the alleged obstruction or condition is open and obvious to those in charge of the vessel's management or where those in control of the vessel have actual knowledge.

Over the years, when given the opportunity, the courts have refused to expand these responsibilities of the dock owner. In *Trade Banner, Inc. v. Caribbean Steamship Co.* (1975), the Federal Fifth Circuit held that safe mooring of a vessel is the responsibility of those in charge of the ship. As stated by Judge Brown, it is the master, when present and

supervising, and not a wharfinger, absent some type of contractual commitment, who is responsible for mooring of a ship. The dock owner has no duty to supervise the docking procedure. It is the master, an expert mariner, who is responsible for the docking of his ship.

It is not unusual in high water conditions for ships to require helper tugs to maneuver into the berth. The courts have refused to place on the wharfinger the duty to provide assist tugs. The courts have consistently held that use of tugs is an integral part of docking procedure and, as such, is a navigational operation for which the ship's master has exclusive responsibility.

The courts have also refused to assign liability to the dock owner for failing to advise the ships of (1) the size of the dock, (2) the presence of unfendered mooring dolphins, and (3) the current of the river, presence of fog, tide, visibility problems encountered docking at night, and depth of the water. As stated by the courts, those in control of the vessel's navigation must bear the greater responsibility for bringing their ship safely into and out of port. In *Delta Commodities, Inc. v. M/T JO OAK*, etc. 1988 WL 149253 (E.D. La. 1989), the court held: These circumstances are conceptually indistinguishable from those discussed in *Bunge, supra*, wherein the Fifth Circuit failed to impose upon the wharfinger the duties relative to supervision of docking, specifically the failure to warn about the size and structure of the wharf, the alleged hazards of unfendered dolphins, the use of four tugs, and the visibility problems encountered in docking at night. There, as here, the wharfinger did not attempt to assert control over the vessel's navigation, and the Fifth Circuit concluded that navigational determinations were "an integral part of docking procedure and as such [are] navigational operations[s] for which the ship's master has exclusive responsibility." *Bunge, supra*, at 799. This rule is equally applicable to any alleged duty to measure and ensure adequate water depth after loading, where the vessel maintains complete and total control over such operations.

Also, when it comes to providing line handlers, that is also the responsibility of the ship. *Florida Fuels, Inc. v. CITGO Petroleum Corp.* (5th Cir. 1993). Further, the courts have imputed the knowledge of the compulsory pilot to those in charge of the ship. The courts have stated that the compulsory pilot must be held to an

unusually high standard of care because “he is selected for his personal knowledge of the topography through which he steers his vessel,” and is familiar with all dangers located in the course of the river. Even without a finding of actual knowledge, the pilot may be charged with knowledge of a local condition as a matter of law.

While the courts have refused to impose extraordinary legal obligations on the dock owner, this should not deter the responsible dock owner to take all reasonable



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America's Wetland



White House “Coastal Roadmap” Creates New Level of Opportunity to Save America’s Wetland

Calling the move historic and timely, Louisiana coastal leaders said that a report released by the White House today signals a new day for restoration efforts for the Gulf of Mexico ecosystems of Louisiana and Mississippi.

“The coastal roadmap released today by the White House Council on Environmental Quality’s (CEQ) Interagency Working Group takes into consideration the unique assets and vulnerabilities of this vital coastal region and begins to address long-held concerns,” said King Milling, Chairman of the America’s WETLAND Foundation (AWF).

The roadmap calls for actions over eighteen months to align federal partners for ecosystem restoration in the region. In a report recently released by the Foundation’s America’s Energy Coast initiative entitled, “A Region At Risk,” a diverse group of leaders representing

environmental, research, industry and community concerns called on the federal government to reduce federal impediments and conflicting policy that hamper sustainability of the region.

“The new White House plan enables Federal agencies to align in a shared coastal vision with the states of Louisiana and Mississippi and sets in motion actions to free up project delays and remove obstacles to restoration. It brings much needed Federal focus to science-based decisions and adaptive management, begins to make sense of cost sharing issues that have long confounded state efforts, and embodies the intent to move away from the protracted process of the Corps of Engineers,” Milling said.

A unified, strategic approach to encourage a shared vision within the region --accompanied by government reforms to reduce delays, snarls, and red tape --has long been the goal of coastal advocates. Focusing on greater support for science-based decision-making and setting in motion some near-term actions responds directly to the urgency of the land loss crisis in the 7th largest delta on Earth, an area that is a major economic asset of the nation.

Dr. Robert Twilley, LSU professor and coastal scientist who works the AWF, also applauded the White House's new approach. "The federal response to the immense challenges to restoring the Mississippi River Delta is consistent with our most important concern: it will take major changes in the way we manage the river basin to allow the delta to adapt to future sea level rise vulnerabilities. Putting the river back into the bayous to sustain some future footprint of this delta has to begin now, given the critical significance of this delta to the nation," Twilley said.

Sediment management issues were the focus of a recent hearing by the AWF at which river diversions were cited as a critical need to naturally replenish and rebuild wetlands that provide essential ecosystem services for man and wildlife alike.

The CEQ plan zeros in on sediment management through practical, short-term beneficial use of dredged materials and longer-term river diversions. "This focus alone could provide immediate results and certainly greater reason to believe real progress can be made in the foreseeable future," Milling said.

"The significance of the report is not in any new ideas or approaches, but that, finally, someone at the highest level has heard what so many have said for so long and they are taking steps to do something about it," Milling said. "I commend those at the White House CEQ on their laudable report and hold much hope that real progress will result. They deserve a genuine thank you for truly listening and now acting upon what many have long felt were unheard cries in the wilderness."



**WORLD TRADE CENTER
OF NEW ORLEANS**

Louisiana Exports Hit 2nd-Highest Level in 2009, Despite Global Downturn

Sales to China Continue to Surge

The value of Louisiana's worldwide merchandise exports increased each month since September and ended 2009 with overseas sales of \$32.7 billion despite the earlier effects of the global recession, according to a report issued today by the World Trade Center of New Orleans.

The state's exports in 2009 were exceeded only by 2008's record-breaking \$41.9 billion.

Despite the 22 percent decline in the value of exports in 2009, Louisiana moved up from 9th to 8th in the state rankings. Total U.S. exports fell by 18.7 percent last year.

In terms of volume, an important indicator for the state's deepwater ports, the decline in total vessel weight for Louisiana's exports in 2009 was only 3.5 percent compared to 2008, while total U.S. exports measured in tonnage registered a 7 percent decline.

"With the state's exports rising in each of the last several months of the year, we're hopeful that the global contraction has bottomed out and that worldwide recovery is underway and we will start seeing the effects in 2010 trade figures," said Larry Collins, Director of International Services with Louisiana Economic Development.

Although Louisiana's exports by value to most of its major markets were down last year compared to 2008, sales to China were up a

staggering 55 percent, reaching \$5.4 billion for the year, more than double the state's exports to Japan, which ranked second in 2009 with \$2.6 billion. Following China and Japan were Mexico, Canada, South Korea, the Netherlands, Egypt, and Singapore.

"There are numerous export opportunities for Louisiana companies in many sectors, and especially in the oil and gas services industry," said Donald van de Werken, Director of the New Orleans U.S. Export Assistance Center. He encouraged companies to participate in a Louisiana Export Council trade mission to Ghana and Nigeria from March 20-27, where the best prospects include oilfield services, equipment, and technology.

Agricultural products (\$13.4 billion, a drop of 15.5 percent); petroleum and coal products (\$6.3 billion, a 37.1 percent decline); chemicals (\$5.5 billion, a 22.8 percent decline); and processed foods (\$3.3 billion, a 10.3 percent decline) ranked as Louisiana's top exports in 2009.

"This is an excellent time for Louisiana companies to get into international trade," said Eugene Schreiber, Managing Director of the World Trade Center. "The Obama administration is emphasizing exporting by small companies, and there are many training and trade finance programs to assist these companies."

The WTC report was generated by the World Institute of Strategic Economic Research (WISER) from U.S. Census Bureau data. It covers the exports of both Louisiana-originating products and some major commingled bulk commodities (especially grain and coal) that are produced in other states, shipped abroad from Louisiana's ports, and recorded as Louisiana exports because of the difficulty of identifying the actual states of origin.

MARK YOUR CALENDARS

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 – PAL Monthly Meeting, Baton Rouge, 10AM, Richmond Suites Hotel

Welcome New Members

This month PAL welcomes three new associate members:

DGI – Menard, Inc. is a ground improvement contractor located in Metairie, LA. They will be represented by Martin Taub.

Specialty Diving of Louisiana, Inc. is a commercial diving operation located in Hammond. They will be represented by Ms. Deborah Wallace.

Vanguard Technologies, Inc. specializes in security and surveillance. They are located in Baton Rouge and will be represented by Mr. Jerry Jones.

