

**MINUTES OF  
SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY-EAST  
FINANCE COMMITTEE MEETING  
HELD ON JULY 15, 2021**

PRESENT: K. Randall Noel, Chair  
Roy M. Arrigo, Committee Member  
Clay A. Cosse, Committee Member

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The Finance Committee of the Southeast Louisiana Flood Protection Authority-East (FPA or Authority) met on July 15, 2021, at the Franklin Avenue Administrative Complex, Meeting Room 201, 6920 Franklin Avenue, New Orleans, Louisiana. Mr. Noel called the meeting to order at 9:30 a.m.

**Opening Comments:** None.

**Adoption of Agenda:** The Committee adopted the agenda as presented.

**Approval of Minutes:** The Committee approved the minutes of the Finance Committee meeting held on June 17, 2021.

**Public Comments:** None

**Regional Finance Director's Report:**

John Burgess, Interim Regional Finance Director, reported on the following items:

- FPA FY 2020-2021 Financial Audit – The pre-audit planning meeting was held last week with the Auditors. FPA staff is currently providing the preliminary trial balance to the Auditors. The final trial balance will be provided by the end of July so that the Auditors can prepare their pre-audit work for testing purposes. The Auditors will be on-site at the Franklin Facility during the first week and third weeks of August.
- Finance staff is preparing the data for upload to the new Asset Management System Software.
- Finance is mapping fixed assets through the asset tree (hierarchy). This will allow reports to be expanded and collapsed, as needed. Bar coding will be added at a later date.
- Staff is working on a timeline tracking tool to keep on track with tasks.
- Workshops with Pronto (Asset Management System Software vendor) will start the weeks of September 13<sup>th</sup> and 20<sup>th</sup>.

Ms. Chandler advised that the FPA is in the process of obtaining one additional temporary employee for doing data cleansing.

Mr. Arrigo inquired about the execution of the contract with Pronto in April, 2021, and asked whether costs had been incurred.

Ms. Chandler explained that an extensive search took place over the past year for a comprehensive, agencywide enterprise resource management system. At one time, almost 20 systems were being used by the FPA that did not interface with each other. The FPA retained a consultant for assistance and all departments were brought in to evaluate various systems. In April, the software vendors were narrowed to two (IFS and Pronto). The approved FY 2021-2022 Budget included the higher cost of the two vendors. Negotiations initially took place with IFS, but did not go well for a variety of reasons. Therefore, negotiations were initiated with Pronto and went very well. The Pronto solution was about 60 percent of the cost of the IFS solution. Therefore, staff elected to proceed with Pronto. Due to storm season, Finance will begin its conversion to the new system in September and will attempt to go live by July 1<sup>st</sup> in order to have a clean fiscal year cutoff. Therefore, the contract was signed with the understanding that the work would be delayed by several months due to storm season.

Mr. Arrigo inquired about the resolution adopted by the Board in March, 2021, instructing staff to select the asset management vendor and return to the Board for final approval. Ms. Chandler explained that the resolution was drafted to initially select IFS; however, staff wanted flexibility in the event negotiations did not go well in order to go to the other software solution. She said that she thought the resolution allowed staff to select either of the two vendors and move forward. After rereading the resolution, she realized that staff needed to go to the Board for ratification of the executed contract. She reiterated that the budget was approved for the software and that one of two vendors was approved. She said that staff is now asking the Board for final approval.

Mr. Noel advised that the Finance Committee discussed IFS and ensured that the resolution adopted by the Board included both IFS and Pronto. The negotiations did not go well with one of the vendors.

### **New Business:**

#### **A. Discussion of the proposed roll forward and certification of ad valorem tax millage rates for the Orleans Levee District for Calendar Year 2022.**

Mr. Noel advised that the Board rolled back the Orleans Levee District (O.L.D.) ad valorem tax millage rates in 2019 for calendar year 2020, due to the increase in property values, so that the same amount of revenue would be collected for calendar 2020 that was collected for calendar year 2019. The resolution to roll back millage rates for calendar year 2022 would allow last year's rates to be retained and for the same amount of revenue to be collected.

Mr. Burgess advised that the resolution to roll back millage rates would be needed to adopt the current millage rates; however, if the Board chooses, it has the option to roll

forward (increase) the millage rates. Ms. Chandler reminded the Board that it can roll forward millage rates at any year prior to the next reassessment. The Board has only one more year (millage action in 2022 for calendar year 2023) to roll forward millage rates; otherwise, the rolled back millage rates would be locked in.

Richard Duplantier, the Orleans Parish representative on the Board, recommended that the millage rates remain the same.

Mr. Cosse asked how would an increase in revenues be used. Ms. Chandler responded that if the Board chose to roll forward (increase) millage rates, the additional revenues would be placed into reserve accounts for projects, such as future levee lifts or dewatering complex structures. Mr. Cosse inquired about the current reserves. Ms. Chandler explained that the O.L.D. currently has reserves; however, the FPA is considering future levee lifts and the future potential cost share, which could be significant, should the U.S. Army Corps of Engineers proceed with a higher level of flood protection. She pointed out, however, that this did not mean that taxes needed to be raised today.

The Finance Committee will recommend that the Board adopt the resolution to roll back millage rates and adopt the rolled back rates for calendar year 2022.

#### **B. Presentation by Human Resources Department.**

Sandy West, Human Resource (HR) Director, advised that she has been with FPA almost three years and that she is a 30 year HR professional. She worked over 26 years at Tulane University (Tulane) in the following capacities: HR leadership team member for over 20 years; benefit program oversight; strategic planning - worked with president and leaders on various projects, implementations, HRS, time/attendance and insurance plans; and worked closely with general counsel on most cases involving alleged discrepancies in handling issues. She stated that Tulane had 5,000-plus employees and that when she joined the FPA she thought 240 or 250 employees would be easy; however, she learned differently. This information was shared in order to gain the Commissioners' confidence in the HR Department.

Ms. West stated that all HR team members are certified HR professionals and that she had been a senior certified professional for many years. The certification of HR team members was accomplished during the COVID-19 pandemic using Lifesize (video conferencing) to study as a group and ensure everyone would be successful. The HR Department is properly staffed with five employees. The FPA has about 242 to 250 employees, including Commissioners; therefore, the resulting ratio (2 to 1) exceeds industry standards.

Ms. West stated that she is, and has been during her entire professional career, an advocate for all employees. She said that she is very confident and capable of finding her voice when speaking to the most senior people in any organization because she makes sure that she is informed and that the information that she is sharing is accurate

and correct to the best of her ability. She wanted everyone to have confidence that she has done her due diligence to ensure that information is correct, and that she was comfortable even if she had to share or deliver bad information.

Ms. West stated that she and her HR team have made themselves available to employees and that they give every employee's concern the proper attention. If an issue cannot be managed in-house, or it is not appropriate to handle the issue in-house, HR uses outside resources. She stated that being in the industry 30-plus years she knows and can make use of people who are experts in certain areas. The FPA is sufficiently funded so that outside resources can be utilized.

Mr. Noel referred to comments that were made in Baton Rouge and asked that Ms. West explain the interaction between the FPA Board and HR relative to complaints from employees. Mr. Arrigo also asked that Ms. West describe the grievance process.

Ms. West explained that a grievance process was in place when she was hired by the FPA. The process includes several levels that employees are instructed to follow, generally starting with an employee making a complaint or grievance known to his/her supervisory chain. If the employee is not satisfied, he/she has an opportunity to state that he/she is not satisfied, and it moves up to the next level, until it gets to the appointing authority. She said that sometimes things come to HR's attention that are not necessarily grievances filed by employees, but there is a perceived violation or harassment of some sort. Depending on the severity and complexity, HR will use an outside investigator or specialist in the area to conduct an investigation independent of HR or anyone else, to allow autonomy for the investigator or specialist to follow the information where it leads them. The findings are given to HR, the appointing authority, and legal counsel for consideration.

Mr. Noel asked who is the FPA's appointing authority. Ms. West advised that the current appointing authority is Kelli Chandler, Regional Director. Civil Service requires that the Board's President execute an affidavit that delegates authority to Ms. Chandler, and Ms. Chandler can delegate authority to Ms. West and to leaders. The only authority currently delegated to leaders is for supervisory or work improvement plans for which a supervisor can meet with an employee, discuss concerns or issues and develop a plan of action to address the concerns or issues. Ms. West stated that all disciplinary issues can only be directed by Ms. Chandler, and that HR does not have this authority. There is a very formal and direct process that must be followed pertaining to employees who are considered classified. After a recommendation is made and heard by the appointing authority, the employee has an opportunity to respond. After the response is heard by the appointing authority, a determination is made. If the employee feels the determination is incorrect, he/she has a right to appeal it.

Ms. Chandler stated that much of this is determined by Civil Service. The FPA collaborates with Civil Service in attempting to address issues and recommendations. She stated that prior to her receiving appointing authority, the appointing authority was

Derek Boese (former Chief Administrative Officer). Civil Service is the guide on how the FPA handles human resources.

Mr. Noel noted that if the employee is not satisfied with the response by the appointing authority, the appeal is heard by Civil Service. Ms. Chandler added that the FPA has had employees appeal.

Richard Duplantier stated that if employees do not feel they are receiving resolution from Civil Service, they also have the opportunity to go to EEOC, which is a Federal investigative body that would give employees a right to sue letter or a finding. The employees' rights and opportunities to go to each level are explained in the employees' manual. Employees have the right to go to EEOC relative to any disparities.

Mr. Noel asked could HR share any information with the Board regarding the status of employees who may be involved in this process. Ms. West responded that the FPA has no open EEOC claims. The FPA has three cases at the appeals stage with Civil Service. Mr. Duplantier pointed out that Michelle White, Executive Counsel, is the appropriate individual to determine what information HR can share with the Board. Mr. Noel stated that he was trying for the Board not to be caught off guard like it was when the Commissioners were interviewed during the confirmation hearing by the Legislature. Mr. Duplantier responded that he understood, however, he spoke to Ms. White and the question is better directed to her as to at what point does the Regional Director or General Counsel share information with the Board.

Ms. West stated that since she has been with the FPA, it has had only one case with EEOC, in which she, Ms. White, Mr. Boese and Kerry Najolia, Superintendent of Police, participated in the mediation. EEOC first attempts to determine a resolution that is acceptable to all parties. If EEOC finds that a person has a right to sue, then they issue the person a notice and he/she can move into the legal system.

Mr. Noel inquired about developing a diversity and inclusion policy for the FPA. Ms. Chandler advised that she and Ms. West had preliminary discussions regarding such a policy, but that she wanted to be very thoughtful about how to develop and support a policy because she would not want it to be something that she could not follow through and support 100 percent. Therefore, they have started brain storming on how to approach a comprehensive program. Ms. West added that she had conversations with a colleague who is an expert in the area and was advised that there is a lot of ground work that must be done in order for such a program to be successful. Discussions at the highest level of the agency includes goals, which is then built upon. More brain storming or foundational conversations that include the Board need to take place in order to move forward.

Mr. Arrigo pointed out that with Ms. West's contacts another entity may be found to have a policy in place that could provide a good starting point. Ms. West advised that her colleague speaks around the country and has been to many universities to help lead workshops and programs. She pointed out that an entity does not start with the policy.

Mr. Noel stated that the Board needs to support whatever is done by Ms. West and must be striving in that direction.

Ms. Chandler stated that it is critical for the Board to support the culture changes and the FPA's culture in general. The culture change started four years ago and included surveys and culture teams. She said that it is absolutely critical to have that kind of support, and that the FPA has been successful and will continue to be successful.

Mr. Cosse commented that some good questions were raised during today's meeting. He pointed out that instructions were received from Senator Harris to fix a number of issues that included HR issues. He noted that this is a discussion for the entire Board; therefore, he recommended that the discussion be picked up during the regular course of the Board meeting. Ms. Chandler advised that the discussion could be covered at the Board meeting under the Regional Director's Report.

**C. Update on legal contracts and expenses.**

Ms. Chandler advised that Ms. White had to attend an outside meeting and was delayed; therefore, the item must be tabled. Mr. Noel asked did legal expenses exceed what was planned. Ms. Chandler responded, no.

**D. Discussion of proposed ratification of the agreement with Pronto Solutions to provide asset management software and related services.**

The proposed ratification of the contract with Pronto Solutions was discussed by the Committee earlier in the meeting.

The Committee will recommend that the Board ratify the contract with Pronto Solutions.

There was no further business; therefore, the meeting was adjourned at 10:05 a.m.