

**MINUTES OF  
SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY-EAST  
FINANCE COMMITTEE MEETING  
HELD ON FEBRUARY 13, 2025**

PRESENT: William A. Settoon, Jr., Chair  
Roy M. Arrigo, Committee Member  
K. Randall Noel, Committee Member

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The Finance Committee of the Southeast Louisiana Flood Protection Authority-East (FPA or Authority) met on February 13, 2025, in the Franklin Avenue Administrative Complex, Meeting Room 201, 6920 Franklin Avenue, New Orleans, La. Mr. Settoon called the meeting to order at 9:02 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 January 16, 2025.

**Public Comments:** None.

**Regional Finance Director's Report:** Denise Williams, Regional Finance Director, advised that she did not have any Finance updates.

**New Business:**

**A. Presentation and discussion of draft Fiscal Year 2026 Budget.**

Ms. Williams advised that the draft Fiscal Year (FY) 2026 Budget was presented to Commissioners in February to provide sufficient time for review. The final Budget will be approved at the March Board meeting and submitted to the State by April 1. The FY 2025 Budget to Actual Report through December 31 will be presented at the March Finance Committee meeting. She reviewed highlights of the FY 2026 Budget:

**FLOOD PROTECTION AUTHORITY (FPA) PROJECTS (agencywide):**

No new projects are budgeted for the FPA. The Earthen Levee and Floodwall Surveys were carried over to the FY 2026 Budget (\$350,000). Vinformatix upgrades are budgeted in the Engineering Department's operational budget.

Mr. Noel inquired about the levee lifts. Ms. Williams advised that the levee lifts are being designed. The FPA's portion, which is \$1.3 million to \$1.4 million, will be paid from the FY 2025 Budget. Chris Humphreys, Director of Engineering, explained that levee lifts will be taking place over the 50-year design life of the Hurricane and Storm Damage Risk Reduction System (HSDRRS). The first levee lift design includes programmatic studies for the entire HSDRRS (e.g., hydraulic modeling, suite of storms, and updates) and the design of a lift for a small reach around the

Louis Armstrong International Airport east-west runway (LPV 3D.3). The levee lift cost share is 65 percent Federal and 35 percent local.

**ORLEANS LEVEE DISTRICT (O.L.D.) PROJECTS:**

**SPECIAL LEVEE IMPROVEMENT FUND (SLIP) PROJECTS (O.L.D.):**

\$26.6 million was budgeted (\$16 million or 37.7 percent decrease from FY 2025).

**REBUDGETED PROJECTS:**

London Avenue Canal Erosion Repairs (\$12.5 million) – Budget increased due to the increased cost of steel and need for additional sheet piles.

Sod and TRM (Turf Reinforcement Matting Repair) (\$300,000) – Recurring project for as needed repairs.

Seawall Step Repair Construction Project (\$2 million) – Pilot Project (one monolith). Project will carry into FY 2026 with ongoing studies. FPA is receiving ideas and conceptual designs from consultants and material suppliers.

Seawall Plaza Erosion Mitigation Project (\$1.5 million) – The design phase has been initiated. Project extends pile support and pavement behind problem areas. Project increased by \$500,000.

Franklin Avenue Projects (\$3.6 million) include drainage improvements, employee/visitor access control improvements, vault 4 generator backup, enlargement of a roll-up door, cleaning electrical vaults and sewer line replacement.

**Complex Structures:**

GIWW Surge Barrier Pile Instrumentation (\$60,000) – Surge Barrier sensor and modem replacement.

GIWW Digital Twin Modeling Project (\$150,000)

Annual Bathymetric Survey (\$30,000)

Miscellaneous Complex Structure Projects (\$50,000)

Risk Reduction Implementation Complex Structures (\$125,000)

**Permanent Canal Closures and Pumps (PCCP):**

PCCP Training and Miscellaneous Projects (\$75,000)

Port Security Grant (\$170,000) – Ongoing.

Repair/Repaint/Recertify Bulk Fuel Storage Tanks (\$760,000) – Each station will be done independently due to logistics and ongoing U.S. Army Corps of Engineers (USACE) work. The FPA implemented a project to allow off-loading of fuel, if necessary, to Maintenance for tractors and other equipment.

**Miscellaneous Projects:**

Railroad Floodgate Sill Repairs (\$150,000) – As needed repairs (primarily Mississippi River Floodgates).

LPV 111 Bypass Bridge (\$450,000) – Budget was rolled forward and increased. Construction will take place in FY 2026.

CPRA Mitigation Site Management (\$350,000) – Reoccurring project. The FPA reimburses the Coastal Protection and Restoration Authority (CPRA) for biologist services. FPA is responsible for the success of seven mitigation sites (including marsh creation and bottomland hardwood). Vegetation must meet established criteria. The sites are inspected at least quarterly. Herbicide treatments are performed as needed.

Miscellaneous Facility Projects (\$150,000)

Miscellaneous Indefinite Delivery-Indefinite Quantity (ID-IQ) Contract Task Orders (\$1.5 million)

Support Services (\$204,000)

Construction and Materials Testing/Inspection ID-IQ Contract Task Orders (\$195,000)

Tax Fees (\$969,000 - two percent of collected revenues)– Estimation based on anticipated revenue collections. Mr. Settoon requested that Kirk Ordoyne, Executive Counsel, investigate the legal authority for setting the collection fee.

**NEW SLIP PROJECTS (O.L.D.):**

Lakeshore Drive - Elysian Fields to Franklin Avenue Project (\$200,000) – Replaces the \$1.5 million Canal Boulevard Reconfiguration Project.

Culvert Phased Repair Projects (\$200,000) – Repairs are a result of the pipe culvert inspections.

Superfan for Storeroom (\$30,000) – Superfan will be located in unairconditioned section of storeroom.

Franklin Warehouse North Buildout – Mechanic Shop and Restrooms (\$750,000) – Approximately 2,000 square foot buildout.

GIWW Safe House and Bayou Bienvenue Vertical Lift Gate Control House Roof Repair Design (\$100,000)

Complex/PCCP Spare Parts Storage (\$250,000) – Project to turn the Franklin Facility tunnel into a climate-controlled storage area.

PCCP Pump Bearing Failure Technical Assistance (\$10,000) – Pump expert to witness the pump repair work performed by the Joint Venture and USACE and advise the FPA.

IHNC Splash Pad Joint Sealant (\$200,000)

Miscellaneous Levee/Floodwall Projects (\$200,000)

**EAST JEFFERSON LEVEE DISTRICT (EJLD) PROJECTS:**

\$9.8 million budgeted (\$1.1 million or 14 percent increase from FY 2025 Budget).

**REBUDGETED EJLD PROJECTS :**

Lesan Building Skin and Roof Patch (\$100,000) – Building used for storage and Police training.

Lakefront Levee Foreshore Protection Betterment Contribution (\$1.5 million)– USACE was authorized to put back what was previously built. FPA is responsible for funding betterments. Project is anticipated to start in FY 2026.

Levee Crest Repairs (TRM, Sod, Asphalt) (\$150,000) – As needed repairs.

Orpheum Avenue Slope Paving Construction (\$3.8 million).

Minor General Maintenance Projects (\$150,000)

ID-IQ Budget (\$1 million)

Construction Material Testing and Inspection (ID-IQ) (\$75,000)

Miscellaneous Facility Projects (\$100,000)

**NEW EJLD PROJECTS:**

West Return Wall Riprap Maintenance/Spot Repair and Slash Pad Repair (\$3 million) – Mr. Humphreys advised that the estimated cost of the riprap lift on the floodside of the West Return Wall was \$6 million to \$8 million. USACE verbally informed FPA that the riprap lift will be included in the levee lift project. EJLD will be responsible for the local cost share.

**LAKE BORGNE BASIN LEVEE DISTRICT (LBBLD) PROJECTS:**

\$3.3 million budgeted (\$4.6 million or 58 percent decrease from FY 2025 budget). Decrease is primarily due to overbudgeting Phase 1 of the 40 Arpent Sheet Pile Paint/Repair Project in the FY 2025 Budget.

**REBUDGETED LBBLD PROJECTS:**

40 Arpent Sheet Pile Paint/Repair Project Phase 2 (\$3 million) – The sheet piles have been in place for about 50 years. Phase 1 revealed numerous corroded areas requiring repairs. If the sheet piles are not repaired and repainted, they will degrade and no longer perform as designed. LBBLD has about \$2.5 million in its Louisiana Asset Management Pool (LAMP) account. The project can be spread over several budget years because LBBLD funding the entire \$3 million project in one fiscal year is not feasible.

Mr. Noel inquired about the O.L.D. possibly providing some funding for the project since a sheet pile wall failure, depending on its location, could affect the Lower Ninth Ward (Orleans Parish). Ms. Williams advised that LBBLD's millage rates were rolled forward (increased) and provide an additional \$70,000 per year. Mr. Arrigo suggested that some funding for the sheet pile project could be allocated from the O.L.D. because the wall extends into Orleans Parish. Mr. Humphreys advised that at this time the sheet pile wall was not in danger of corroding to a point where it would not function as designed; however, it cannot be left unmaintained. Implementing the project in smaller pieces can be explored. Mr. Arrigo recommended that staff look into the protection that the wall provides to Orleans Parish and potential justification for O.L.D. sharing some of

the cost of the repaint/repair work. Mr. Ordoyne pointed out that the justification must be documented.

Mississippi River Levee (MRL) Slope Pavement Repairs (\$100,000) – As needed repairs.

Miscellaneous and ID-IQ Budgets (\$364,000)

Facility Parking Lot Phase (\$80,000) – Informal bids received from a number of contractors were almost twice the budgeted amount. Therefore, the Parking Lot Project will be spread over several years. Phase 1 will be done in FY 2025.

LBBLD does not have any new projects.

### **OPERATIONS AND MAINTENANCE (O&M) BUDGET (ALL DISTRICTS):**

Revenues are anticipated to decrease about one percent. The decrease in Other Revenues and LAMP interest is expected to be offset by higher tax collections and Edward Jones interest. Total expenses for all districts are budgeted 15 percent higher (about \$7 million) than FY 2025.

Personnel Services – Budgeted 26 percent higher due to increased health insurance premiums, additional budgeted vacancies, Police pay increases, Maintenance position reallocations (about \$96,000) and increased Commissioner per diem payments. Employee annual pay increase (average three percent) and overtime due to changing weather conditions/storms are included.

Training – Budgeted 48 percent higher due to Human Resources / Delgado Community College initiative. Initiative allows employees to become certified in their skillset, resulting in promotional opportunities and better staff retention.

Professional Services increased slightly due to higher legal fees for outside attorneys. Mr. Ordoyne advised that the increase is due to two legal cases (Robert and Marquette).

Contractual Services – Budget remains flat.

Materials and Supplies – Increased by two percent.

Machinery and Equipment – Decreased by 13 percent. A large portion of the budget consists of carried over items that will not be received in FY 2025. Some new purchases are budgeted to replace older/worn out vehicles and equipment. Replaced vehicles and equipment will be sold at the FPA bi-annual auction in November.

Ms. Williams encourages Commissioners to contact her by telephone or email with questions about the FY 2026 Budget.

Mr. Settoon advised that Ms. Williams has taken on additional responsibilities, including the FPA's insurance renewals. She discovered that the FPA had insured vehicles at their original cost rather than depreciated value, which should result in premium savings. Ms. Williams advised that insurance options provided by Gallagher are communicated to the Finance Committee. About 12 insurance applications are currently in process.

**B. Discussion of updating designated agents and/or signatories for all Capital One Bank operating and payroll accounts, and all LAMP account transactions, and ratification of checks executed by, or bank transitions approved by, the Appointing Authority on or after November 1, 2024, through February 20, 2025, and recommendation to the Board.**

Mr. Settoon suggested that the Finance Committee not offer a recommendation to the Board on this item because of pending issues and questions.

Mr. Noel pointed out that, in accordance with the Bylaws, Article VII Administration, Section 3 Disbursement of Funds, the Board by resolution authorizes officials and employees as signatories. He expressed concern, in the name of good government, about two people signing checks where one individual has authority over the other.

Ms. Williams explained that she had suggested the change in designated signatories in the proposed resolution and that the Regional Finance Director should not be a signatory. The President is always one of the signatories. She stated that most of the on-site signatories have been lost; therefore, this issue needed to be revisited. Signatories are needed for check and electronic fund transfers (EFTs). FPA Bylaws do not allow wire transfers. Finance adheres to internal controls for processing payments. Only Finance has access to the FPA's bank accounts. Capital One Bank has "Positive Pay" to prevent fraud. Each year the auditor reviews both Finance's internal procedures and Capital One Bank's procedures and ensures they are followed.

Ms. Williams advised that a list of payments and documentation is provided to the signatories when EFTs are ready to be processed. The signatories sign the list of EFTs. Two signatures are required for payments over \$5,000. When Capital One Bank begins cutting FPA checks, two (digital) signatures will be required for all payments. Capital One Bank is alerted when there is a change in signatory. She briefly discussed purchasing limits for staff and procurement procedures.

Mr. Settoon pointed out that he had never signed an FPA check and would only sign one in an emergency. Ms. Williams stated that not having two signatories halts payments. Finance faced this dilemma several months ago. She noted that Mr. Humphreys was removed as a signatory because he is retiring. She stated that the resolution should be adjusted to provide flexibility when the FPA is faced with situations where three signatories are lost at one time. A proposed resolution will be presented at the February 20 Board meeting.

Mr. Settoon pointed out that there have been no audit exceptions in the annual financial audits since he has been on the Board.

The Committee did not make a recommendation for the Board.

There was no further business; therefore, the meeting was adjourned at 10:07 a.m.