

**MINUTES OF THE SLFPA-EAST FINANCE COMMITTEE
MEETING HELD ON AUGUST 10, 2007
at East Jefferson Levee District
203 Plauche Court, Harahan, LA**

PRESENT: George Losonsky, Chairman
Timothy Doody, Committee Member

ABSENT: Sara Lee St. Vincent, Committee Member

FURTHERMORE PRESENT: Fran Campbell, Interim Regional Director/EJLD Ex. Director
Bob Turner, LBBLD Executive Director
Steve Spencer, O.L.D. Executive Director
James Bollinger, O.L.D. Comptroller
Carol Kiefer, O.L.D.
Jonell Blowers, EJLD
Glenda Boudreaux, O.L.D.
Wilma Heaton, O.L.D.
Clint Romig, ASG
C. Edgecombe, ASG
Sheila Grisset, Times Picayune

I. Call to Order: Chairman Losonsky called the meeting to order at 9:40 a.m.

II. Opening Comments: None.

III. Adoption of the Agenda: The agenda was amended to include items H) discussion of reimbursing EJLD for optional pay to employees performing services for the SLFPAE, B.2) discussion of funding a services contract for New Orleans East levees grass maintenance.

A. Review LBBLD property renewal quote. (LBBLD)

Mr. Clint Romig advised he had been marketing property coverage for LBBLD and did not have hard quotes in hand today; however, a significant increase in premium is anticipated. LBBLD's carrier for quite a few years was Hanover; however, Hanover has canceled most policies in the southern parishes across the board. He explained the difficulty in obtaining quotes and the reasons insurance carriers prolong giving quotes as long as possible. Coverage must be renewed by August 30th. Mr. Romig hoped to have quotes by the next Board meeting; however, should quotes not be available or further work is required in order to exhaust all available options, he recommended, if necessary, that a resolution be adopted providing the President or Executive Director authority to bind coverage.

The Committee concurred and requested a resolution be drafted providing the LBBLD Executive Director, Bob Turner, with the authority to bind coverage, if necessary.

Mr. Romig further advised LBBLD has moved off its individual public officials policy and onto the master public officials policy. As of this point, the O.L.D., SLFPAE and LBBLD have been added to the master policy, and when EJLD's current coverage expires, it will be included. LBBLD's old carrier, ACE, has offered an extended reporting period, estimated at \$10,000, which

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covers the gap in the event a claim occurring during the coverage period is reported after the expiration of coverage.

The Committee agreed and recommended the extended reporting period option be forwarded to the Board for approval.

B. Discussion of budgetary issues on funding maintenance work on Orleans Parish Drainage Outfall Canals (17th Street, London and Orleans Avenue), and a services contract for grass cutting of New Orleans East levees. (O.L.D.)

Vegetation clearing along the three Orleans Parish outfall canals (east side of 17th Street Canal, and Orleans and London Avenue Canals) was advertised and publicly bid, with five bids received. The lowest responsible bidder was Great Southern Dredging for \$263,000. Use of a retardant to slow the growth of vegetation is being considered and methodology for application was discussed.

Funding for this work is projected to come from the operating budget, with the anticipation that additional ad valorem tax revenues will be received to cover the cost, and should this not occur, funding from the SLIP budget could be addressed at a later date.

Due to a shortage in personnel, a service contract for grass cutting along approximately 15 miles of New Orleans East levees was advertised, with bids to be opened on August 13th. The contract would include four cuttings at two week intervals. Separate prices were obtained for two separate sections of levee, with the anticipation that in approximately November the first section would be included in a USACE project and would become the responsibility of the contractor for an 18 month period, and about three months later, the second section would be included in a USACE levee raising project. A test section will be set up for application of a growth retardant. The Operations Committee recommended a not to exceed amount of \$150,000.

Relative to budgetary reporting, Mr. Losonsky recommended Mr. Bollinger speak with the Regional Director concerning an appropriate reporting schedule, including level of reporting, for all three levee districts.

C. Discussion of parameters for single signature checks for the SLFPAE. (SLFPAE)

The Committee discussed an appropriate dollar limit for single signature checks and concluded \$500.00 would be appropriate for operating account checks, which would be submitted to the Board for approval.

Operational controls were briefly discussed, along with procedures that could be used with the banks during emergencies. Mr. Turner pointed out the LBBLD had a problem during Katrina obtaining a second signature and suggested an additional backup signatory.

Consistency regarding single signature checks for the three levee districts, along with the need for a backup signatory, was discussed, and the Committee requested that a resolution be prepared for the Board authorizing single signature on checks up to \$500 and that the Regional Director be designated as an additional authorized signatory for all three levee districts on single or two signature checks.

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D. Discussion of O.L.D. employment (recruitment and retention) issues. (O.L.D.)

Mr. Spencer explained approximately a year ago employee participation in the cost of health coverage was increased. As a recruitment and retention incentive the O.L.D. was requesting that the District cover all or a greater portion of the cost of coverage. The O.L.D. lost employees in the past, and recently lost an employee to the WJLD, due to the issue of benefits.

Cost participation for health coverage by the various levee districts was discussed; EJLD pays 100% and WJLD pays 92% of the cost. The cost of medical coverage and differences in plan designs were discussed.

Mr. Losonsky felt this called for an across the board look at the issue, and requested the Regional Director compare the coverages, how well those coverages could be expected to retain and attract employees, and the impact, and requested this analysis be expedited. He added, the Regional Director will arrange for some preliminary findings in about two weeks.

The Committee briefly discussed Special Entry Rates. O.L.D. is finalizing its rates; however, it is also pursuing with Civil Service the attempt to piggyback on EJLD's established rates. Mr. Doody pointed out the Special Entry Rates should be consistent across the districts.

Mr. Turner brought up his immediate need for technical office staff, especially with the increase in the number of required reports, and short term need for pump station personnel, as most of the major stations are back on line and the remaining three stations will be coming back on line within the next twelve months.

Mr. Losonsky anticipated the Regional Director and Executive Directors will be having discussions regarding these issues and needs. However, the initial focus will be to address the requested benefit changes and then looking long term across the board for equivalency.

Mr. Spencer reported the O.L. D. is beginning to receive FEMA reimbursements and FEMA may be favorable toward the appeal for demolition of the Naval Reserve facility. The O.L.D. non-flood side is considering hiring a consultant to expedite the FEMA claims process.

LBBLD's FEMA claims were also discussed and Mr. Turner was requested to look into use of a consultant for assistance with claims.

E. Discussion of O.L.D. insurance renewal issues. (O.L.D.)

Mr. Spencer explained the O.L.D. is looking for direction regarding renewal of health and dental insurance (expires 12/31/07) and vehicle insurance coverage (expires 11/1/07).

The recent RFQ for an insurance consultant was discussed. The Regional Director will review the submittals for qualifications and responsiveness, and arrange to meet with the top two candidates regarding the development of a scope of services.

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Mr. Romig offered to look into vehicular coverage for the O.L.D., and the possibility of combined coverage for the levee districts. He pointed out that the O.L.D. has no physical damage coverage; however, LBBLD does carry physical damage coverage.

F. Discussion of ratification of purchase through Louisiana State Contract of three John Deer tractors. (LBBLD) and

G. Discussion of ratification of purchase through Louisiana State Contract of four Flex 15 Magnum Super Duty Cutters. (LBBLD)

Mr. Turner explained the subject equipment was budgeted in the previous fiscal year and purchased. It was subsequently brought to his attention that these items should have gone before the Board. He requested ratification of the purchase of an A-Boom be included.

The Committee agreed to recommend that the Board ratify these purchases.

H) Discussion of reimbursing EJLD for optional pay to employees performing services for the SLFPAE.

The Committee briefly discussed optional pay policies. Ms. Campbell requested that 5% optional pay be instituted retroactively for the four employees at EJLD and one or more at O.L.D, who have been performing services for the SLFPAE and for reimbursement from the Authority, which is estimated at approximately \$6,200. The item was deferred until the next Committee meeting in order to work out the details of the issue.

IV. Public Comments: There were no public comments.

V. Executive Session

A. Discussion of financial parameters/allocation of litigation funds. (O.L.D.)

The Committee convened in Executive Session to discuss the item on the agenda.

VI. Adjourn: There was no further business; therefore, the meeting was adjourned.