

**MINUTES OF
SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY-EAST
FINANCE COMMITTEE MEETING
HELD ON NOVEMBER 6, 2014**

PRESENT: Paul Tilly, Chair
Stephen Estopinal, Committee Member
Tyrone Ben, Committee Member

The Finance Committee of the Southeast Louisiana Flood Protection Authority-East (SLFPA-E or Authority) met on November 6, 2014, in Meeting Room 201, Orleans Levee District Franklin Administrative Complex, 6920 Franklin Avenue, New Orleans, Louisiana. Mr. Tilly called the meeting to order at 8:30 a.m.

Opening Comments: None.

Adoption of Agenda: The agenda was adopted by the Committee.

Approval of Minutes: The Committee approved the minutes of the Finance Committee meeting held on October 2, 2014.

Public Comments: The joint St. Bernard Parish-Lake Borgne Basin Levee District (LBBLD) Community Outreach initiative was entered in the "2014 Excellence in Communication" contest hosted by the National Association of Flood and Storm Water Management Agencies and received second place. Mr. Tilly congratulated the LBBLD on receiving the award.

New Business:

A. Discussion of certification of Orleans Levee District millage rates for calendar year 2015.

Jim Bollinger, Orleans Levee District (O.L.D.) Comptroller, recommended that the current ad valorem tax millage rates totaling 11.67 mills be continued for calendar year 2015. The quadrennial reassessment process will take place in the fall of 2015 and will require the roll back of millage rates so that the same amount of revenues would be generated. The Board will have the opportunity at that time to roll forward millage rates to amounts not to exceed the maximum rates. The millage rates certified for calendar year 2015 will set the maximum rates for calendar year 2016 and beyond. He pointed out that a number of uncertainties remain, such as the actual cost of operating and maintaining the Hurricane and Storm Damage Risk Reduction System complex structures.

Mr. Estopinal offered a motion, which was seconded by Mr. Ben and unanimously adopted, to recommend that the Board certify the current millage rates for the Orleans Levee District for calendar year 2015.

B. Discussion of renewal Office of Group Benefits (OGB) Health Insurance coverage and Dental and Vision Plans for Orleans Levee District employees.

Gerry Gillen, O.L.D. Executive Director, advised that the O.L.D. has not yet received the new premium rates from OGB. The O.L.D. joined the OGB system two years ago. New enrollees are underwritten each year based on their loss ratio until the agency meets the OGB risk and can be locked into the State's rate schedule. In addition, a number of plan changes have taken place affecting premium rates. Six plans are being offered from which employees and retirees must make a selection. A number of employees have not yet selected a plan since the employee's/retiree's contribution towards the premium is unknown at this time. The deadline for plan selection has been extended by OGB to November 30th. Board action may be required to establish rates for the employee's/retiree's premium contribution.

Carol Kiefer, O.L.D. Safety/Risk Manager, advised that the rates for the renewal of the vision and dental plans have not yet been received. Action on the vision and dental plans is not required until December.

C. Discussion on appraising the undeveloped East Jefferson levee district safehouse land and scheduling an auction to sell the property.

Mr. Estopinal advised that a commitment was made during the very contentious agreements that were reached concerning the proposed construction of the East Jefferson Levee District (EJLD) safehouse and consolidated facilities. He recommended that the properties agreed upon be appraised and sold at auction and that SLFPA-E counsel establish the appropriate procedures to be followed. He added that sufficient time should be afforded so that potential purchasers can arrange financing and bid on the property. Mr. Lacour advised that a letter of interest must be received in order to begin the process so that money is not expended by the levee district if there is no interest. He added that the properties have been appraised and that the appraisals need to be updated.

Mr. Estopinal clarified that the Board should be requested to approve the advertisement of notice for receipt of letters of interest from potential purchasers for the property and that the notice include the most recent appraised values for informational purposes. Should a letter of interest be received, the appraisals would be updated and the properties placed on the market. The notice would include the intent to sell the properties as two parcels. Mr. Ben offered a motion, which was seconded by Mr. Tilly and unanimously adopted, to recommend that the Board approve the advertisement of notice and subsequent activities for the sale of the properties as clarified by Mr. Estopinal.

Councilman Gregory W. Carroll, Kenner Councilman - District 1, advised that he following up on the proposal to appraise and sell the properties. He noted that he had heard interest expressed in purchasing the properties. He asked, however, should no written notice of interest be received, would the SLFPA-E continue its position relative to not developing the properties in the future. Mr. Tilly advised that the SLFPA-E's position at this time is that the properties would not be developed; however, he could

not guarantee that a future Board would continue this position. Councilman Carroll noted that the community would continue to remain a part of the discussion to ensure that whatever is done with the properties is conducive to the neighborhood.

Mr. Lacour pointed out that once interest has been expressed and the appraisals updated, the sheriff would be requested to sell the properties.

D. Discussion of the disposition of funds received from settlements in the litigation entitled “Southeast Louisiana Flood Protection Authority-East, et al. v. Tennessee Gas Pipeline Co., LLC, et al., E.D. La. No. 13-5410”.

Mr. Estopinal explained that a mechanism should be established for the receipt and segregation of settlement monies from the litigation entitled “SLFPA-E, et al. v. Tennessee Gas Pipeline Co., LLC, et al., E.D. La. No. 13-5410”. He noted that SLFPA-E counsel waived fees from the first \$50,000 received and that the money should be used for coastal restoration. Mr. Bollinger recommended that a dedicated bank account be created for the settlement monies and that the use of the monies be restricted.

Mr. Ben offered a motion, which was seconded by Mr. Estopinal and unanimously adopted, to create a dedicated, restricted bank account for the receipt of the settlement monies.

The next regularly scheduled committee meetings have been rescheduled for Thursday, December 11, 2014, due to a conflict with the Association of Levee Boards of Louisiana annual meeting.

There was no further business; therefore, the meeting was adjourned at 9:12 a.m.