

**MINUTES OF THE
SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY – EAST
BOARD MEETING
THURSDAY, JUNE 21, 2007**

The Regular Monthly Board Meeting of the Southeast Louisiana Flood Protection Authority - East (Authority or SLFPA-E) was held on Thursday, June 21, 2007, in the Second Floor Council Chambers, Joseph Yenni Building, 1221 Elmwood Park Boulevard, Harahan, Louisiana, after due legal notice of the meeting was sent to each member and the news media and posted.

The meeting was convened at 9:50 a.m. and the Board proceeded with the pledge of allegiance. President Jackson was unable to attend the meeting due to a family emergency and Vice President Sutherland was unable to attend due to a prior commitment. Mr. Doody nominated Mr. Barry to Chair the meeting. The nomination was seconded by Mr. Wittie, and unanimously approved by the Board.

The roll was called and a quorum of the Board was present.

Present:

John M. Barry, Secretary (Acting Chair)
Timothy P. Doody, Treasurer
David P. Barnes, Jr.
Stradford A. Goins (arrived 10:25 a.m.)
George Losonsky, Ph.D.
Larry A. McKee
Ricardo S. Pineda
Sara Lee St. Vincent
Louis E. Wittie

Absent:

Thomas L. Jackson, President
Abril B. Sutherland, Vice President

OPENING COMMENTS:

Mr. Barry commented on the Orleans Levee District (O.L.D.) non-flood assets and the Memorandum of Understanding (MOU) with the Division of Administration (DOA). The SLFPA-West Authority has not yet signed the MOU, and amendments and/or revisions may be required. Since it is important that the MOU be in place by July 1st; an item would be placed on the agenda relative to this issue.

RESOLUTION #06-21-07-001 – ADOPTION OF AGENDA:

The following amendments were offered to the Agenda under New Business: defer Items 6, 7, 26 and 27, remove Items 10 and 18, and add Item 33—a motion to approve the London Avenue Canal cofferdam load test; Item 34—a motion to authorize the President of the Board to sign a revised Memorandum of Understanding with the DOA; and Item 35—a motion to urge the Federal government to waive the cost share for providing 100 year flood protection. Mr. Pineda requested Item 16 be considered before the Executive Session. The Board then voted on the amended agenda.

On the motion of Mr. Doody,
Seconded by Mr. Wittie, the following resolution was offered:

“A resolution to adopt the agenda, as amended, for the Board Meeting of June 21, 2007.”

The foregoing was submitted to a vote, the vote thereon was as follows:

YEAS: Mr. Barnes, Mr. Barry, Mr. Doody, Mr. Losonsky,
Mr. McKee, Mr. Pineda and Mr. Wittie

NAYS: None

ABSENT: Mr. Goins and Mr. Jackson

Motion carried.

RESOLUTION #06-21-07-002 – APPROVAL OF MINUTES

On the motion of Mr. Doody,
Seconded by Mr. Wittie, the following resolution was offered:

“A resolution to approve the minutes of the Board Meeting of May 2, 2007.”

The foregoing was submitted to a vote, the vote thereon was as follows:

YEAS: Mr. Barnes, Mr. Barry, Mr. Doody, Mr. Losonsky,
Mr. McKee, Mr. Pineda and Mr. Wittie

NAYS: None

ABSENT: Mr. Goins and Mr. Jackson

Motion carried.

PUBLIC COMMENTS:

St. Bernard Parish President Junior Rodriguez commented on Item 3 relative to legal counsel for the Lake Borgne Basin Levee District. He advised legal business was previously handled by the District Attorney’s Office, and he felt should an attorney be hired, he/she should be from St. Bernard Parish. He further commented on the local cost share for 100 year protection, which the local governments are unable to afford. He also advised the only journal that qualifies as an official journal for St. Bernard Parish is the St. Bernard Voice.

Mr. Barry advised the Board was cognizant of the financial condition of the Lake Borgne Basin Levee District (LBBLD) and that the tax base of St. Bernard Parish had been severely damaged.

Mr. Pineda stated he was 100 percent in support of doing whatever possible to reduce or eliminate the non-Federal cost share on USACE projects; however, from a long term perspective the Board must start thinking strategically to the next level in the future on how to develop and build projects in Orleans, Jefferson, St. Bernard and the other parishes in the SLFPA-E's jurisdiction.

Mr. Barry stressed the Industrial Canal, Gulf Intracoastal Waterway (GIWW) and Mississippi River Gulf Outlet (MRGO) are navigation channels that serve a wide area of ports, and both interstate and international commerce, yet create relatively few jobs in the areas they traverse, which is an important argument for waiver of the federal cost share. These man made navigation channels are what devastated 175,000 people.

Mr. Bob Evans informed the Board that Jefferson Parish President Broussard has created a President's Committee to advise him on all matters concerning east bank flood protection and that he would be serving as Chairman of that Committee. He hoped to be supportive of the SFLPA-E's efforts and that communications between the SLFPA-E and the Parish administration are improved or reinforced.

Mr. Pineda offered a recommendation that the Authority consider the implementation of informal monthly meetings with representatives of the USACE, East and West Authorities, and other local entities in order to work on a regional approach to flood protection issues.

PRESENTATIONS:

B. Mark Wingate of the Corps' New Orleans District on the Corps' Civil Works Process.

Mr. Mark Wingate, USACE Senior Project Manager, pointed out much of the current USACE work is being performed under special authorizations in the Hurricane Recovery Mission, and he would be explaining how Civil Works projects are traditionally handled. Civil Works is the traditional program wherein the USACE helps various communities. Primary mission areas include flood damage reduction, navigation and eco-system restoration; secondary mission areas include water supply, support of outdoor recreation, hydro-electric, and water and waste water supply.

The General Investigations Program deals with traditional large scale projects. The General Investigations mode consist of four steps: (1) The reconnaissance study, which is 100 percent federally funded and would determine

whether a significant issue and federal interest exist, and uses a benefit-to-cost ratio measurement. A study authorization and funding through the Energy and Water Appropriations Bill is required. Non-federal sponsors are identified for the next step. (2) The feasibility study, which is 50%/50% cost shared, is a detailed study of the problem and potential solutions. The alternative with the highest benefits is ultimately determined and a report is submitted to Congress for authorization through the Water Resources Development Act (WRDA). (3) Pre-construction engineering and design (plans and specifications), which is cost shared 75% federal/25% non-federal. Should the local sponsor prefer a plan greater than the National Economic Development (NED) plan, it has the option of paying 100 percent of the cost of the betterments to get the locally preferred plan. (4) Construction, which can vary on flood control project participation, but is typically cost shared at 65% federal/35% non-federal. A Project Cooperation Agreement (PCA) is signed prior to construction. Once the project is completed, it is turned over to the local sponsor, who is responsible for 100 percent of its operation and maintenance.

The Continuing Authorities Program (CAP) deals with smaller projects and similar steps are followed. Although project authorization is not needed by Congress, project funding must be obtained by going to Congress for annual appropriations. Funding under the CAP is very competitive. USACE representatives will work with the local sponsor and determine whether a CAP project is appropriate for a problem. Local funds are not required to start the process; however, should the USACE determine a project fits into the CAP, an agreement must be signed that includes a cost share.

The Planning Assistance to States Program provides planning assistance, but does not provide money for construction, and is cost shared at 50%/50%. Congressional authorization is not required and the program limit is \$500,000 per state per year.

The Flood Plain Management Program is similar to PAS; the USACE provides sponsors with assistance in managing development within a flood plain (i.e., flood warning systems and flood proofing). This is 100 percent federal funding; however, very little money comes into this program. A typical service is assisting parishes with handing out base flood elevations.

The Environmental Infrastructure Program provides planning, design and construction for water supply and sanitary sewer, which is 75% federal/25% local cost shared.

Under the Inter-agency – Inter-Governmental Support Program (IIS), the USACE typically performs work for other federal agencies, which is 100 percent reimbursable (local). No funding is provided under this program by the USACE; it is a mechanism to provide expertise or support to a community or federal agency.

A sponsor is usually a parish, state or government body or commission, typically with taxing authority. The sponsor is an integral member of the Project Management or Delivery Team, helps to steer the project, and assumes operation and maintenance after completion of the project. The sponsor is invited to the monthly Project Review Board for project status.

A. USACE and the Peer Reviewers on the London Ave. test performance.

Mr. John Ashley, USACE Senior Project Manager for the Site Specific Load Test on the London Avenue Canal, explained one of the conditions for the test was review by a peer review team, with a presentation to the Board of the results. Mr. Bob Bachus, PhD, and Mr. Ray Martin, PhD, two nationally known experts in geotechnical engineering, were engaged for the peer review.

Dr. Martin explained this presentation, in a more technical fashion, was made to the USACE last evening. The purpose of the test is to evaluate the safe water elevation at the most critical canal section based on recent studies. The USACE commissioned a study to look at which particular location a test could be performed along the canal, with three possibilities; however, Dr. Martin and Dr. Bachus felt the one selected is the most critical based on data reviewed, and they agreed with the location of the test. He read an excerpt from the I-Pet study in reference to the failure on the west side of the London Avenue Canal just south of the Robert E. Lee Bridge: "The formation of a gap between wall and levee fill on the canal side of the wall allowed high water pressures to act on the wall below the surface of the levee severely loading the wall. Water flowed down through the gap into the underlying sand. High water pressures in the sand uplifted the marsh layer on the land side of the levee." The layers of soil are essentially the same at the test location. A schematic of the gap was shown and Dr. Martin described how the gap was formed. It was deduced from available data that during Katrina the wall experienced a load of about elevation +8. After Katrina the safe water elevation in the canal was set at elevation +4.

The test originally consisted of a partially penetrating sheetpile cofferdam. The idea was to load the cofferdam on a staged basis, while monitoring instruments installed in the levee and monitoring the tilt of the wall. The Emergency Action Plan would allow rapid dewatering of the cofferdam should a problem develop or indication of a problem appear.

The planned test had built in redundant features that provided a high degree of protection, and Drs. Martin and Bachus thought it was a well designed test. They felt two modes of failure should be looked at in the test: the gap mode, and a second mode having to do with sand, as opposed to clay, in the bottom of the canal. For this reason, they suggested the load test be extended further into the canal and have come to an agreement with the USACE on how best to do that. The test will become a two staged test. Drs. Martin and Bachus recommended the depth of the sheet piles for the cofferdam be extended into the clays below.

Additional critical pre-test activities were recommended; i.e., additional subsurface investigation and testing to update the current analyses, more focus of the instrumentation on pore pressures, change loading so that each load stabilizes before there is any change to a higher load, and enhancement of the management program to conduct the load test.

Dr. Bachus continued the presentation and explained President Jackson was emphatic that the peer review team's role was foremost to report to the Board relative to the safety of the performance of the load test, where to go after load test results, and whether the test would meet the necessary objectives. The modifications recommended were technical and not modifications to the safety component of the program. He discussed the second potential mode of failure known as the under-seepage mode of failure. The load test program would be modified slightly so that water could be placed from the canal directly in contact with the underlying sand. There would be an advantage in doing the test in two stages; the first stage, a test as per the original USACE design for the load test to evaluate the gap under the existing dominate conditions in the canal, and at the complete of that test, the second stage would be to lower the water within the cofferdam and put the water through a series of pipes that would put the water into the underlying sand and to repeat components of the test to evaluate the second mode. He explained the reasons for moving the wall an additional ten feet into the canal, which is the first recommendation, along with the monitoring that would be performed during testing and the rationale for the second stage of the test. The second recommendation is to extend the wall probably an additional 16 feet, which would help the analysis and give greater confidence to the ultimate test results by simulating the worse condition. Dr. Bachus discussed additional advantages of the second recommendation.

Dr. Bachus explained the third recommendation relates to pre-test analyses and consists of four components: additional subsurface characterization, the instrumentation program focusing on the measurement of pore pressures, how the load test is performed and monitored, and the concept of loading. He briefly spoke on each of the four components, and explained the advantages of performing additional testing on the landside of the wall, the additional recommended instrumentation, the protocols for evaluating when to terminate the load test program and real time interpretation of the load test results, and the adoption of a decision matrix to define a stable condition before applying the next load.

Dr. Martin summarized a two staged test is recommended; the proposed second stage will evaluate the worse case condition. He commented on the proposed update of the analyses to fit this site before going forward with the test, modification of the instrumentation plan and real time instrumentation analysis by the on-site experts.

Dr. Martin concluded the load test can be safely performed and will provide needed data to update the soil structure interaction models and to assess the safe

water elevation for the canal based on acceptable factors of safety for the various modes of failure. He commented on the importance of the next step, consisting of additional investigation and placement of instrumentation on the protected side along the canal in order to monitor the remainder of the canal.

Mr. John Greishaber, Col. Bedey's Deputy, advised the USACE welcomes all of the recommendations. As requested by President Jackson, the USACE had its plan vetted through two totally independent Ph.D.'s, knowledgeable in geotechnical engineering. Working as a team, an attempt will be made to obtain enough information to load into the soil structure interaction models to investigate the viability of raising the safe water elevation in the London Avenue Canal. He stressed this is one step in determining the safe water elevation and is not a guarantee that the elevation will be raised. He added, Dr. Martin and Dr. Bachus met yesterday with the USACE and went into great detail regarding their recommendations and the intent of their recommendations, and the USACE would incorporate the intent of their recommendations.

The pulling of the sheetpile after the test is conducted was briefly discussed.

Mr. Goins questioned the deviation from the Congressional mandate to repair or replace the damaged floodwalls by leaving these floodwalls in place. Mr. Ashley responded the USACE is still looking at the floodwalls themselves as far as potential fixes and commented on the permanent pump stations as the overall solution. Possible solutions for the floodwalls were discussed.

Mr. Stevan Spencer, O.L.D. Executive Director, felt the work done thus far and safety features were impressive. He mentioned he attended a pre-construction meeting earlier this week, and his only concern related to the possible removal of the barge that would be in the canal during construction in the event of a major storm; however, the USACE is looking into alternatives and a final plan regarding that issue.

RESOLUTION #06-21-07-003 – LONDON AVENUE CANAL LOAD TEST

On the motion of Mr. Doody,
Seconded by Mr. Losonsky, the following resolution was offered:

WHEREAS, after receiving previous information, as reflected in Resolution #04-19-07-004, and today's presentation by the external peer review team,

BE IT HEREBY RESOLVED, that the Southeast Louisiana Flood Protection Authority-East hereby grants approval for the President or the Executive Director of the Orleans Levee District to sign any and all documents to proceed with the load test in the cofferdam on the London Avenue Canal, provided that the recommendations of the external peer review panel are incorporated in the Corps test and the peer review team remains involved in the

test, and provided that all necessary approvals are received from the Sewerage and Water Board.

The foregoing was submitted to a vote, the vote thereon was as follows:

YEAS: Mr. Barnes, Mr. Barry, Mr. Doody, Mr. Losonsky, Mr. McKee,
Mr. Pineda and Mr. Wittie

NAYS: Mr. Goins

ABSENT: President Jackson

Motion carried.

ELECTION OF OFFICERS

The newly appointed Board initially elected officers for a term to expire on June 30, 2007; therefore, the Board held an election of officers for the term commencing July 1, 2007.

Nominations were opened for the office of President. Mr. McKee offered and Mr. Barnes seconded the nomination of Mr. Jackson, and Ms. St. Vincent offered and Mr. Losonsky seconded the nomination of Mr. Doody. Nominations were closed and a vote was conducted with Mr. Barry, Mr. Doody, Mr. Goins, Mr. Losonsky, Mr. Pineda and Mr. Wittie voting for Mr. Doody and Mr. Barnes and McKee voting for Mr. Jackson; therefore, Mr. Doody was elected to the office of President.

Nominations were opened for the office of Vice President. Ms. St. Vincent offered and Mr. Barnes seconded the nomination of Ms. Sutherland. There were no further nominations, and Ms. Sutherland was elected by unanimous vote to the office of Vice President.

Nominations were opened for the office of Secretary. Mr. Doody offered and Mr. Barnes seconded the nomination of Mr. Barry. There were no further nominations, and Mr. Barry was elected by unanimous vote to the office of Secretary.

Nominations were opened for the office of Treasurer. Mr. Doody offered and Mr. Wittie seconded the nomination of Mr. Losonsky. There were no further nominations, and Mr. Losonsky was elected by unanimous vote to the office of Treasurer.

RESOLUTION #06-21-07-004 – SLFPA-E ELECTION OF OFFICERS

“A resolution providing for the election of Officers of the Southeast Louisiana Flood Protection Authority-East for a term of one year commencing July 1, 2007.”

WHEREAS, at a Special Board Meeting held on May 2, 2007, the Board adopted Bylaws, which provide in part for the designation and election of Officers of the Board, and

WHEREAS, Article IV, Officers, Section 1, provides for the designation of the offices of President, Vice President, Secretary and Treasurer, which shall be elected from among the members of the Board, and

WHEREAS, Article IV, Section 2, provides that, "Officers shall be elected to serve one (1) year terms, except that the terms of the first Officers of the Authority shall expire on June 30, 2007."

THEREFORE BE IT RESOLVED that, in accordance with elections held this date, the Officers of the Southeast Louisiana Flood Control Authority-East shall be as follows for the term commencing July 1, 2007:

President – Timothy P. Doody
Vice President – Abril B. Sutherland
Treasurer – George Losonsky
Secretary – John M. Barry

The foregoing was submitted to a vote, the vote thereon was as follows:

Office of President:

Nomination of Mr. Jackson, on motion of Mr. McKee, seconded by Mr. Barnes, and Mr. Doody on motion of Ms. St. Vincent, seconded by Mr. Losonsky,

YEAS (Mr. Doody): Mr. Barry, Mr. Doody, Mr. Goins, Mr. Losonsky,
Mr. Pineda and Mr. Wittie

YEAS (Mr. Jackson): Mr. Barnes and Mr. McKee

ABSENT: Mr. Jackson

Office of Vice President – Ms. Sutherland:

on motion of Ms. St. Vincent, seconded by Mr. Barnes,

YEAS: Mr. Barnes, Mr. Barry, Mr. Doody, Mr. Goins, Mr. Losonsky,
Mr. McKee, Mr. Pineda and Mr. Wittie

NAYS: None

ABSENT: Mr. Jackson

Office of Secretary – Mr. Barry:

on motion of Mr. Doody, seconded by Mr. Barnes,

YEAS: Mr. Barnes, Mr. Barry, Mr. Doody, Mr. Goins, Mr. Losonsky,
Mr. McKee, Mr. Pineda and Mr. Wittie

NAYS: None

ABSENT: Mr. Jackson

Office of Treasurer – Mr. Losonsky:

on motion of Mr. Doody, seconded by Mr. Wittie,

YEAS: Mr. Barnes, Mr. Barry, Mr. Doody, Mr. Goins, Mr. Losonsky,
Mr. McKee, Mr. Pineda and Mr. Wittie

NAYS: None

ABSENT: Mr. Jackson

COMMITTEE REPORTS:

Finance Committee: Chairman Doody advised many of the items considered by the Committee at its meeting held last Friday were on today's agenda and would be addressed as they come up in the meeting.

Routine and Emergency Operations Committee: Chairman McKee reported the Committee met with participants including representatives of the emergency operations centers of Orleans, Jefferson and St. Bernard, who reported on procedural operations for evacuations and communications systems, DOTD, State Police and the Orleans, East Jefferson and Lake Borgne Basin Levee District Executive Directors. A recommendation was made for a proposed emergency web site for communications in advance and in the aftermath of major storms, access to emergency contacts and other information, and for conference calls. The web site would be pass word protected and layered for viewing and changing. Maintenance cost of the web site would be minimal.

Mr. Barry suggested possible participation in the future with the Business Council sponsored coordination efforts. The Board discussed setting up the site for the current hurricane season and whether a Board motion was required for implementation. Mr. Pineda commented on his recent tour of the East Jefferson Levee District and that he found everything in good order; however, he pointed out the need to be cognizant of encroachments. He also commented regarding NIMS (National Incident Management System) compliance for levee district emergency operations.

Legal Committee: Mr. Goins reported for Chairwoman Sutherland on the Committee's June 1st meeting at which recommendations were made to continue the engagement of the levee districts' existing interim counsels for a six month period, cancellable with notification, and to issue an RFQ for general counsel for the Authority and the three levee districts. The RFQ for the Authority is not intended to replace the services of the Attorney General's Office, but to have a resource under certain circumstances. A meeting has been scheduled with the Attorney General's office to discuss the RFQ. The Committee also agreed with the request to issue an RFQ for an operational audit for the Authority.

Special Issues Committee: Chairman Goins reported a meeting was held with the USACE leading to today's presentation.

Strategic Planning Committee: Mr. Pineda commented he and Ms. St. Vincent will collaborate and by the next meeting have a draft of the strategic plan for members.

**RESOLUTION #06-21-07-005 –
REGIONAL EXECUTIVE DIRECTOR NATIONWIDE SEARCH**

Mr. Pineda recommended advertising in Civil Engineering Magazine and the Engineering News Record, and electronically advertising in newsletters for the National Association of Flood and Storm Water Managers and Association of State Flood Plain Managers. Mr. Doody further recommended posting with the Association of Levee Boards.

Mr. Barry commented the nationwide search is not due to any unhappiness with local candidates, but is in accordance with the Board's original intention for this position.

Ms. St. Vincent offered a friendly amendment that the search be completed and offer made by November 1st, which was accepted by Mr. Doody and Mr. McKee.

On the motion of Mr. Doody,
Seconded by Mr. McKee, the following resolution was offered:

"A resolution directing the SLFPA-E to conduct a "nationwide" search for a Regional Executive Director by advertising the position in national periodicals and national electronic newsletters, with said search to be completed and offer made by November 1, 2007."

The foregoing was submitted to a vote, the vote thereon was as follows:
YEAS: Mr. Barnes, Mr. Barry, Mr. Doody, Mr. Goins, Mr. Losonsky,
Mr. McKee, Mr. Pineda and Mr. Wittie
NAYS: None
ABSENT: Mr. Jackson
Motion carried.

Mr. Barry commented that President Jackson is an outstanding engineer and an enormous resource for this Board and the region. He thanked Mr. Jackson for his outstanding service as President.

EXECUTIVE SESSION:

- A. Discussion of character and professional competence of potential candidates for the regional director
- B. Gerry Gillen and Stevan Spencer personnel issues (extension of detailed positions)

A motion was offered by Mr. Losonsky, seconded by Mr. Doody, for the Board to convene in Executive Session. The Board convened in Executive Session at 12:30 p.m.

The Board reconvened in regular session at 2:35 p.m.

RESOLUTION #06-21-07-006 - ENGAGEMENT OF EJLD INTERIM COUNSEL

On the motion of Mr. Doody,

Seconded by Mr. Wittie, the following resolution was offered:

“A resolution engaging the services of T. Robert Lacour as interim counsel for the East Jefferson Levee District.”

WHEREAS, by Resolution #01-26-07-006, the Southeast Louisiana Flood Protection Authority - East (“Authority) approved and authorized an attorney fee contract with T. Robert Lacour to provide Interim Counsel services for the East Jefferson Levee District; and

WHEREAS, there is a real need for the continued engagement of an attorney to act as interim counsel to advise and represent the Authority on the on-going East Jefferson Levee District legal matters; and

WHEREAS, T. Robert Lacour is an attorney practicing law in the State of Louisiana for 38 years; and

WHEREAS, in consideration of services performed, the Authority agrees to pay Counsel as follows:

\$175.00 per hour

WHEREAS, a budget for said interim counsel services of \$27,000.00 is hereby established; and

WHEREAS, this engagement shall be restricted to a period of six months, commencing July 1, 2007, and shall be submitted to the Louisiana Attorney General’s office for approval.

RESOLVED, that the Authority authorizes the engagement of the services of T. Robert Lacour as interim counsel for the East Jefferson Levee District, and authorizes the President to sign any and all documents necessary to carry out the above.

FURTHER RESOLVED, That this Resolution be submitted to the Office of the Attorney General for the State of Louisiana for approval, under the terms set forth above.

The foregoing was submitted to a vote, the vote thereon was as follows:

YEAS: Mr. Barnes, Mr. Barry, Mr. Doody, Mr. Goins, Mr. Losonsky,
Mr. McKee, Mr. Pineda and Mr. Wittie

NAYS: None

ABSENT: Mr. Jackson

Motion carried.

RESOLUTION #06-21-07-007 - ENGAGEMENT OF O.L.D. INTERIM COUNSEL

Ms. Ullmann advised the O.L.D. previously had an in-house civil service counsel and explained the benefit of having counsel on-site. The first 100 hours of legal service is at a reduced rate to offset services provided by the levee district.

On the motion of Mr. Doody,
Seconded by Mr. Wittie, the following resolution was offered:

“A resolution engaging the services of Cornelia Ullmann as interim counsel for the Orleans Levee District.”

WHEREAS, by Resolution #01-26-07-005, as amended by Resolution #03-15-07-005, the Southeast Louisiana Flood Protection Authority - East (“Authority) approved and authorized an attorney fee contract with Cornelia Ullmann to provide Interim Counsel services for the Orleans Levee District for the period commencing January 22, 2007 and ending June 30, 2007; and

WHEREAS, there is a real need for the continued engagement of an attorney to act as interim counsel to advise and represent the Authority on the on-going Orleans Levee District legal matters; and

WHEREAS, Cornelia Ullmann is an attorney practicing law in the State of Louisiana 13 years; and

WHEREAS, in consideration of services performed, the Authority agrees to pay Counsel as follows: \$50.00 per hour for the first 100 hours per month, \$90.00 per hour for hours in excess of 100 hours per month; however litigation matters are to be at the Attorney General’s scheduled rate for an attorney with over 10 years experience; paralegal services will be reimbursed at \$45.00 per hour; law clerk services will be reimbursed at \$25.00 per hour; and

WHEREAS, a budget for said interim counsel services of \$38,000 is hereby established; and

WHEREAS, this engagement shall be restricted to a period of six months, commencing July 1, 2007, and shall be submitted to the Louisiana Attorney General’s office for approval.

RESOLVED, That the Authority authorizes the engagement of the services of Cornelia Ullmann as interim counsel for the Orleans Levee District, and authorizes the President to sign any and all documents necessary to carry out the above.

FURTHER RESOLVED, That this Resolution be submitted to the Office of the Attorney General for the State of Louisiana for approval, under the terms set forth above.

The foregoing was submitted to a vote, the vote thereon was as follows:

YEAS: Mr. Barnes, Mr. Barry, Mr. Doody, Mr. Goins, Mr. Losonsky,
Mr. McKee, Mr. Pineda and Mr. Wittie

NAYS: None

ABSENT: Mr. Jackson

Motion carried.

RESOLUTION #06-21-07-008 - ENGAGEMENT OF LBBLD INTERIM COUNSEL

LBBLD Executive Director Robert Turner explained prior to January 1st, the St. Bernard District Attorney’s Office provided services to the Board of Commissioners of the LBBLD and not to the levee district itself. Once the Board was dissolved, the District Attorney’s Office was no longer required to provide that service. The Board briefly discussed post-Katrina staffing of the St. Bernard Parish DA’s office. The current interim counsel had provided past service to the district through its insurance carrier.

Mr. Hanna advised he had personally been involved in providing representation for the LBBLD for several years, initially through St. Paul Travelers Insurance, and explained his firm's experience in representing public bodies and available resources.

On the motion of Mr. Doody,
Seconded by Mr. Wittie, the following resolution was offered:

"A resolution engaging the services of Mark Hanna of McCranie Sistrunk Anzelmo Hardy Maxwell & McDaniel as interim counsel for the Lake Borgne Basin Levee District."

WHEREAS, by Resolution #01-26-07-006, the Southeast Louisiana Flood Protection Authority - East ("Authority) approved and authorized an attorney fee contract with Mark Hanna of McCranie Sistrunk Anzelmo Hardy Maxwell & McDaniel to provide Interim Counsel services for the Lake Borgne Basin Levee District; and

WHEREAS, there is a real need for the continued engagement of an attorney to act as interim counsel to advise and represent the Authority on the on-going Lake Borgne Basin Levee District legal matters; and

WHEREAS, Mark Hanna is an attorney practicing law in the State of Louisiana 18 years; and

WHEREAS, in consideration of services performed, the Authority agrees to pay Counsel as follows:

Directors (having experience of 10 years or more in the practice of law)	\$175.00/hr.
Directors/Associates (having experience of 5-10 years)	\$150.00/hr.
Associates (3-5 years of experience)	\$125.00/hr.
Associates (having experience of less than 3 years)	\$100.00/hr.
Paralegals	\$ 45.00/hr.
Law Clerks	\$ 25.00/hr.

WHEREAS, a budget for said interim counsel services of \$100,000.00 is hereby established; and

WHEREAS, this engagement shall be restricted to a period of six months, commencing July 1, 2007, and shall be submitted to the Louisiana Attorney General's office for approval.

RESOLVED, that the Authority authorizes the engagement of the services of Mark Hanna of McCranie Sistrunk Anzelmo Hardy Maxwell & McDaniel as interim counsel for the Lake Borgne Basin Levee District, and authorizes the President to sign any and all documents necessary to carry out the above.

FURTHER RESOLVED, That this Resolution be submitted to the Office of the Attorney General for the State of Louisiana for approval, under the terms set forth above.

The foregoing was submitted to a vote, the vote thereon was as follows:
YEAS: Mr. Barnes, Mr. Barry, Mr. Doody, Mr. Goins, Mr. Losonsky,
Mr. McKee, Mr. Pineda and Mr. Wittie

NAYS: None
ABSENT: Mr. Jackson
Motion carried.

**RESOLUTION #06-21-07-009 –
EMPLOYEE CONTRACT - EJLD CYNTHIA TAYLOR**

Interim Regional Director Fran Campbell advised this individual is retired from the State System and will be an employee of the EJLD.

On the motion of Mr. Doody,
Seconded by Mr. Barnes, the following resolution was offered:

“A resolution authorizing Fran Campbell to enter into an employee contract with Cynthia Taylor on behalf of the East Jefferson Levee District.

The foregoing was submitted to a vote, the vote thereon was as follows:
YEAS: Mr. Barnes, Mr. Barry, Mr. Doody, Mr. Goins, Mr. Losonsky,
Mr. McKee, Mr. Pineda and Mr. Wittie
NAYS: None
ABSENT: Mr. Jackson
Motion carried.

RESOLUTION #06-21-07-010 – VEHICLE AUCTIONING

Ms. Campbell advised evaluations and appraisals will be done and sealed bids received.

On the motion of Mr. Doody,
Seconded by Mr. Wittie, the following resolution was offered:

“A resolution authorizing East Jefferson Levee District, Orleans Levee District and Lake Borgne Basin Levee District to auction vehicles that are no longer of use to the levee districts.”

The foregoing was submitted to a vote, the vote thereon was as follows:
YEAS: Mr. Barnes, Mr. Barry, Mr. Doody, Mr. Goins, Mr. Losonsky,
Mr. McKee, Mr. Pineda and Mr. Wittie
NAYS: None
ABSENT: Mr. Jackson
Motion carried.

RESOLUTION #06-21-07-011 – RFQ GENERAL COUNSEL SLFPA-E

On the motion of Mr. Doody,
Seconded by Mr. Wittie, the following resolution was offered:

“A resolution to approve advertising Request for Qualifications for General Counsel for SLFPA-East .”

The foregoing was submitted to a vote, the vote thereon was as follows:
YEAS: Mr. Barnes, Mr. Barry, Mr. Doody, Mr. Goins, Mr. Losonsky,
Mr. McKee, Mr. Pineda and Mr. Wittie
NAYS: None
ABSENT: Mr. Jackson
Motion carried.

**RESOLUTION #06-21-07-0012– RFQ –
SPECIAL COUNSEL SERVICES SLFPA-E & LEVEE DISTRICTS**

Ms. St. Vincent explained the intent was to have a ready list of firms offering specialized legal services that could be used should the need arise.

A friendly amendment was offered for the resolution to read “special” in lieu of “outside” counsel, which was accepted by Mr. Doody and Mr. Wittie.

On the motion of Mr. Doody,
Seconded by Mr. Wittie, the following resolution was offered:

“A resolution to approve advertising Request for Qualifications for Special Counsel Services for SLFPA-East and subject levee districts.”

The foregoing was submitted to a vote, the vote thereon was as follows:
YEAS: Mr. Barnes, Mr. Barry, Mr. Doody, Mr. Goins, Mr. Losonsky,
Mr. McKee, Mr. Pineda and Mr. Wittie
NAYS: None
ABSENT: Mr. Jackson
Motion carried.

**RESOLUTION #06-21-07-013–
RFQ –OPERATIONAL AUDITING SERVICES- SLFPA-E**

Mr. Doody explained this audit will determine how operational efficiencies can be achieved or improved.

On the motion of Mr. Doody,
Seconded by Mr. Wittie, the following resolution was offered:

“A resolution to approve advertising Request for Qualifications for firm to provide Operational Auditing Services for SLFPA-East.”

The foregoing was submitted to a vote, the vote thereon was as follows:

YEAS: Mr. Barnes, Mr. Barry, Mr. Doody, Mr. Goins, Mr. Losonsky,
Mr. McKee, Mr. Pineda and Mr. Wittie
NAYS: None
ABSENT: Mr. Jackson
Motion carried.

Agenda Item 12. Motion authorizing the purchase of one Ford Expedition for the SLFPA-E Regional Director.

Mr. Doody requested this item be deferred until such time as a full time Regional Director is employed and this matter then be revisited, as a more desired option may be monthly reimbursement for use of a personal vehicle. Mr. Doody further commented additional potential expenditures were submitted to DNR, including the mandated drainage study, and the Authority will receive what is remaining of the \$250,000 by the end of this fiscal year. Mr. Barry commented the authority had anticipated incorporating the polder concept into the drainage study. Ms. Wilma Heaton reported DNR committed to the drainage study and requested a scope of services. Mr. McKee was requested to develop an RFP. Mr. Pineda suggested assistance be requested from the USACE under its Planning Assistance to States program.

RESOLUTION #06-21-07-014 –PURCHASE (2) RADIOS FOR SLFPA-E

Mr. Turner advised the radios, which are in a price range of \$2,500 to \$5,000 depending on model, would be programmed by the State and could be used for specialized talk groups, including the Office of Emergency Preparedness, both Baton Rouge and local groups, as well as the various levee districts.

On the motion of Mr. Doody,
Seconded by Mr. Losonsky, the following resolution was offered:

“A resolution authorizing the purchase of two (2) radios under state contract for use in emergency situations for the Southeast Louisiana Flood Protection Authority-East.”

The foregoing was submitted to a vote, the vote thereon was as follows:
YEAS: Mr. Barnes, Mr. Barry, Mr. Doody, Mr. Goins, Mr. Losonsky,
Mr. McKee, Mr. Pineda and Mr. Wittie
NAYS: None
ABSENT: Mr. Jackson
Motion carried.

**RESOLUTION #06-21-07-015 –
SELECTION OF OFFICIAL JOURNAL FOR SLFPA-E, E.J.L.D. AND O.L.D.**

Mr. Doody pointed out a requirement for the official journal is that it is published inside the territorial jurisdiction. Cost and distribution were briefly discussed.

Mr. Robert Lacour advised the official journal must be selected the first meeting in June and listed some of the requirements. Any official notice by statute must go into the official journal.

The cost of publication of minutes in a subscription newspaper or journal was discussed, which could amount to thousands of dollars per year. It was pointed out that staff had been advised that the Authority was not required by law to publish its minutes; however, a provision of the Board's newly adopted bylaws requires the publication of regular and special Board Meeting minutes.

On the motion of Mr. Doody,
Seconded by Mr. Wittie, the following resolution was offered:

“A resolution to select the Times Picayune as the Official Journal for the Southeast Louisiana Flood Protection Authority-East, East Jefferson Levee District and Orleans Levee District for the purpose of publishing such information as required under R.S. 43:171 for a one year term commencing July 1, 2007.”

WHEREAS, R.S. 43:171 provides that levee districts and other political subdivisions shall have the proceedings of their board and such financial statements required by the legislative auditor published in a newspaper, which shall be selected at the first meeting in June of each year for a term of one year, and

WHEREAS, R.S. 43:171 further provides that the newspaper shall meet certain criteria relative to location and publication, and

WHEREAS, the Times Picayune meets the aforementioned criteria for the Southeast Louisiana Flood Protection Authority-East, East Jefferson Levee District and Orleans Levee District.

RESOLVED, that the Times Picayune is hereby selected as the Official Journal for publications as required under R.S. 43:171 for the Southeast Louisiana Flood Protection Authority-East, East Jefferson Levee District and Orleans Levee District for a one year term commencing July 1, 2007, and that the SLFPA-E President or appropriate Levee District Executive Director are authorized to sign any and all documents necessary to accomplish the above.

The foregoing was submitted to a vote, the vote thereon was as follows:

YEAS: Mr. Barnes, Mr. Barry, Mr. Doody, Mr. Goins, Mr. Losonsky,
Mr. McKee, Mr. Pineda and Mr. Wittie

NAYS: None

ABSENT: Mr. Jackson

Motion carried.

In order to save possibly a minimum of \$12,000 per year in publication costs in a subscription newspaper or journal, and due to the fact that the minutes could be published and made accessible to the public on the SLFPA-E's website, Mr. Barry recommended, and Mr. Doody concurred, that the Bylaws should be amended.

Therefore, in accordance with the 30 day notice provision for amendment of the bylaws, Mr. Barry served notice that he would be moving to amend the bylaws at the next meeting of the Board so that the Authority would not have to publish its minutes. He requested this matter be placed on the agenda for the next meeting.

RESOLUTION #06-21-07-016 - SELECTION OF OFFICIAL JOURNAL FOR LBBLD

On the motion of Mr. Wittie,
Seconded by Mr. Goins, the following resolution was offered:

“A resolution to select the St. Bernard Voice as the Official Journal for the Lake Borgne Basin Levee District for the purpose of publishing such information as required under R.S. 43:171 for a one year term commencing July 1, 2007.”

WHEREAS, R.S. 43:171 provides that levee districts and other political subdivisions shall have the proceedings of their board and such financial statements required by the legislative auditor published in a newspaper, which shall be selected at the first meeting in June of each year for a term of one year, and

WHEREAS, R.S. 43:171 further provides that the newspaper shall meet certain criteria relative to location and publication, and

WHEREAS, the St. Bernard Voice meets the aforementioned criteria for the Lake Borgne Basin Levee District.

RESOLVED, that the St. Bernard Voice is hereby selected as the Official Journal for publications as required under R.S. 43:171 for the Lake Borgne Basin Levee District for a one year term commencing July 1, 2007, and that the SLFPA-E President or LBBLD Executive Director are authorized to sign any and all documents necessary to accomplish the above.

The foregoing was submitted to a vote, the vote thereon was as follows:
YEAS: Mr. Barnes, Mr. Barry, Mr. Doody, Mr. Goins, Mr. Losonsky,
Mr. McKee, Mr. Pineda and Mr. Wittie
NAYS: None
ABSENT: Mr. Jackson
Motion carried

RESOLUTION #06-21-07-017 – O.L.D. EMPLOYEE ASSISTANCE PROGRAM

Ms. St. Vincent advised this matter was discussed at the Finance Committee meeting. It was determined all the services provided under this program are not provided under health insurance coverage. The Committee recommended approval for the O.L.D., and will be looking at standardizing this benefit across the board. The cost to the O.L.D. is approximately \$5,000 per year.

On the motion of Mr. Doody,
Seconded by Mr. Wittie, the following resolution was offered:

“A resolution to retain the services of Mark S. Roloff and C. Philip Bein for an Orleans Levee District Employee Assistance Program.”

WHEREAS, Mark S. Roloff and C. Philip Bein have been retained by the Orleans Levee District for many years on a fiscal year basis to provide an employee assistance program for its employees and dependents, with a full range of mental health and wellness counseling services, including employee consultation and referral, 24-hour “warm line” services, and outpatient mental health services; and

WHEREAS, Mark S. Roloff and C. Philip Bein have agreed to continue the same rates as in Fiscal Year 2007; and

WHEREAS, the aforementioned services are utilized and paid on an “as needed” basis, and funding is available in the FY’07-08 O.L.D. Professional Services Budget.

RESOLVED, that the counseling services of Mark S. Roloff and C. Philip Bein be renewed for a period of one year, from July 1, 2007 through June 30, 2008 for an amount not to exceed \$5,000, and that Orleans Levee District Director of Hurricane and Flood Protection be authorized to sign any and all documents necessary to accomplish the above.

The foregoing was submitted to a vote, the vote thereon was as follows:

YEAS: Mr. Barnes, Mr. Barry, Mr. Doody, Mr. Goins, Mr. Losonsky,
Mr. McKee, Mr. Pineda and Mr. Wittie

NAYS: None

ABSENT: Mr. Jackson

Motion carried.

Agenda Item 18 ITEM REMOVED - Internal Medicine Associates on an “as needed” basis for Orleans Levee District pre-employment physicals and other medical services.

Mr. Doody explained this item was discussed at the Finance Committee meeting and removed since a contract was not required.

**RESOLUTION #06-21-07-018 - ORLEANS LEVEE DISTRICT WORKERS’
COMPENSATION INSURANCE COVERAGE RENEWAL**

Ms. St. Vincent advised this coverage was discussed by the Finance Committee and approval was recommended.

On the motion of Mr. Doody,
Seconded by Mr. Wittie, the following resolution was offered:

“A resolution approving the third year of the Three Year Retrospective Premium Endorsement Plan for O.L.D. Workers Compensation coverage from Louisiana Workers’ Compensation Corporation (LWCC) through Morrison Insurance Agency.”

WHEREAS, Orleans Levee District Workers’ Compensation Coverage will expire on July 1, 2007, and after shopping the market only one quote was obtained by Morrison Insurance Agency at an estimated annual renewal premium of \$230,203 (subject to annual gross payroll audit) from Louisiana Workers’ Compensation Corporation (LWCC), the incumbent provider (AM best Rated A IX, admitted company authorized to conduct business in the State of Louisiana); and

WHEREAS, the renewal of the third and final year of the current Workers’ Compensation Three Year Retrospective Premium Endorsement Plan, as offered by LWCC through Morrison Insurance Agency for the period of 7/01/07- 7/01/08, will result in the continuance of the scheduled premium adjustments until all claims experienced in the three year retrospective period are closed; and

WHEREAS, the total estimated annual premium of \$230,203 is subject to annual audit and will be pro-rated between Flood and Non-Flood (pro-rated estimated premium of \$120,851 for Flood and \$109,352 for Non Flood).

RESOLVED, that the Southeast Louisiana Flood Protection Authority-East authorizes the procurement of Workers’ Compensation Coverage as offered by LWCC, the incumbent provider, through Morrison Insurance Agency, at the pro-rated share of \$120,851 of the estimated annual premium of \$230,203, for a period of one year commencing on 7/01/07, and authorizes the Orleans Levee District Director of Hurricane and Flood Protection to execute any and all documents to carry out the above.

The foregoing was submitted to a vote, the vote thereon was as follows:
YEAS: Mr. Barnes, Mr. Barry, Mr. Doody, Mr. Goins, Mr. Losonsky,
Mr. McKee, Mr. Pineda and Mr. Wittie
NAYS: None
ABSENT: Mr. Jackson
Motion carried.

**RESOLUTION #06-21-07-019 –
ORLEANS LEVEE DISTRICT FLOOD INSURANCE RENEWAL**

Ms. St. Vincent advised this coverage was also discussed by the Finance Committee and approval was recommended.

Coverage for the Franklin warehouse building is \$500,000, with \$500,000 content; Franklin administration building \$500,000, content \$283,700, and West Bank Field Office building \$258,000, content \$69,800. Since content coverage is not for replacement value, and due to the age of the administration building content, it was felt coverage was adequate.

On the motion of Mr. Doody,
Seconded by Mr. Losonsky, the following resolution was offered:

“A resolution to authorize the renewal of Flood Insurance for the three properties remaining on the Orleans Levee District’s Flood Division Flood Insurance Schedule from Fidelity Flood Insurance through Eagan Insurance Agency.”

WHEREAS, Orleans Levee District Flood insurance coverage will expire on July 21, 2007, and renewal quotes were received from Fidelity Flood Insurance Company, the only primary flood insurance provider, through Eagan Insurance Agency for the Franklin Administration, Franklin Warehouse and West Bank Field Office buildings; and

WHEREAS, the annual premiums are as follows: Franklin Administration Building - \$866.00, Franklin Warehouse -\$1091.00; and West Bank Field Office \$1,609.00.

RESOLVED, The Southeast Louisiana Flood Protection Authority-East authorizes the procurement of Flood Insurance coverages as offered by Fidelity Flood Insurance Company through Eagan Insurance Agency at a total cost of \$3,566.00 for a period of one year commencing on July 21, 2007, and authorizes the Orleans Levee District Director of Hurricane and Flood Protection to execute all documents necessary to carry out the above.

The foregoing was submitted to a vote, the vote thereon was as follows:
YEAS: Mr. Barnes, Mr. Barry, Mr. Doody, Mr. Goins, Mr. Losonsky,
Mr. McKee, Mr. Pineda and Mr. Wittie
NAYS: None
ABSENT: Mr. Jackson
Motion carried.

**RESOLUTION #06-21-07-020 –
O.L.D. EMPLOYMENT PRACTICES LIABILITY INSURANCE RENEWAL**

Ms. St. Vincent advised the Finance Committee recommended approval of this coverage at this time; however, the Committee will be looking at the option of self-insurance. Ms. Fitzgerald, Ms. Campbell and the districts will determine whether adequate employment policies are in place.

Mr. Doody briefly discussed the option of self-insuring this coverage and explained that based upon a recent claim the Committee felt this policy should

remain in place at this time until it is determined that employment policies are in place to assure compliance with federal law and other requirements. He further explained this carrier is authorized, but not admitted, which is allowed when coverage cannot be obtained from an admitted carrier.

On the motion of Mr. Doody,
Seconded by Mr. McKee, the following resolution was offered:

“A resolution to authorize the renewal of Employment Practices Liability (EPL) Insurance coverage from Lexington Insurance Company through Morrison Insurance Agency”

WHEREAS, the Orleans Levee District Employment Practices Liability Insurance coverage will expire on July 1, 2007, and upon shopping the market two quotes were received by Morrison Insurance Agency for such coverage; and

WHEREAS, the most responsive proposal quote for such coverage was Option 2 at a total annual cost of \$61,682.25, which was received from Lexington Insurance Company, an authorized but not admitted AM Best Rated A+ XV company, through Morrison Insurance Agency, for a term of one year commencing on July 1, 2007 and expiring on July 1, 2008; and

WHEREAS, the annual total cost of \$61,682.25 shall be pro-rated between the Flood Assets Division and Non-Flood Assets Division at an annual pro-rated cost of \$30,841.13 for Flood and an annual pro-rated cost of \$30,841.12 for Non-Flood.

RESOLVED, The Southeast Louisiana Flood Protection Authority-East authorizes the procurement of Employment Practices Liability insurance coverage, Option 2 from Lexington Insurance Company through Morrison Insurance Company at the pro-rated share of the total annual cost of \$61,682.25 for a period of one year, commencing on July 1, 2007 and expiring on July 1, 2008 and authorizes the Orleans Levee District Director of Hurricane and Flood Protection to execute any and all documents necessary to carry out the above.

The foregoing was submitted to a vote, the vote thereon was as follows:
YEAS: Mr. Barnes, Mr. Barry, Mr. Doody, Mr. Goins, Mr. Losonsky,
Mr. McKee, Mr. Pineda and Mr. Wittie
NAYS: None
ABSENT: Mr. Jackson
Motion carried.

**RESOLUTION #06-21-07-021 –
ORLEANS LEVEE DISTRICT LIFE INSURANCE**

Ms. St. Vincent explained the Committee recommended approval of this item at this time. The current coverage is quoted for both active employees and retirees, and competitive quotes cannot be obtained due to retiree coverage. Mr. Doody briefly explained the cost of retiree coverage and that the Committee is attempting to determine whether an incentive could be offered to retirees to self-

insure or receive a cash payment using the potential premium savings. Obligations of the O.L.D. will be honored, however, the Committee is attempting to standardize benefits across districts.

On the motion of Mr. Doody,
Seconded by Mr. Losonsky, the following resolution was offered:

“A resolution to renew life insurance coverage with Guardian Life Insurance for Orleans Levee District employees and retirees.”

WHEREAS, by Resolution #03-15-07-019, the Southeast Louisiana Flood Protection Authority-East (SLFPA-E) approved an extension of the current life insurance coverage for employees and retirees of the Orleans Levee District (O.L.D.) with Guardian Life Insurance until June 30, 2007 in order to afford time for competitive bids to be received; and

WHEREAS, competitive bids have been solicited and reviewed.

BE IT HEREBY RESOLVED, that the SLFPA-E approve the renewal of the current life insurance coverage for employees and retirees of the Orleans Levee District at the current rate with Guardian Life Insurance for a period of one year, commencing July 1, 2007, and to authorize the O.L.D. Director of Hurricane and Flood Protection to sign any and all necessary documents necessary to carry out the above.

The foregoing was submitted to a vote, the vote thereon was as follows:

YEAS: Mr. Barnes, Mr. Barry, Mr. Doody, Mr. Goins, Mr. Losonsky,
Mr. McKee, Mr. Pineda and Mr. Wittie

NAYS: None

ABSENT: Mr. Jackson

Motion carried.

RESOLUTION #06-21-07-022 –
2007 ORLEANS LEVEE DISTRICT BUDGET REVISIONS

Mr. Doody explained this budget revision incorporates recent changes that have taken place, including the potential \$2.5 million provision to the Division of Administration. Mr. Jim Bollinger, O.L.D. Comptroller, advised additional revenues were received, and the Board concurred with incorporating those changes in the resolution.

On the motion of Mr. Doody,
Seconded by Mr. Wittie, the following resolution was offered:

WHEREAS, by Resolution No. 1-032806, the Board approved the General Operating and Major Maintenance/Capital Improvement Budget, and Special Levee Improvement Projects (SLIP) Fund Budget for Fiscal Year 2007 to provide

for required expenditures for personnel services, contractual services, operating supplies, equipment, annual debt service and capital projects, and

WHEREAS, a review of the operating results to date indicates that budget revisions to the Flood Control operating budget and SLIP fund budget are necessary to reflect new expectations. Such revisions are detailed on the financial schedule attached hereto and made a part hereof,

WHEREAS, the following summarized adjustments are determined to reflect the projected operating results of the flood control operations and those of the SLIP fund based on the latest revenue and expenditure estimates.

General Operating Budget

1.	Increase in Revenues	\$ 1,582,617
2.	Net Increase in Other Sources	\$12,820,067
3.	Increase in Other Uses	\$ 5,933,173

Special Levee Improvement Project (SLIP) Fund Budget

4.	Increase in Revenues	\$ 11,589,570
5.	Increase in Expenditures	\$ 6,857,369

BE IT HEREBY RESOLVED, that the revisions to the Fiscal Year 2007 Operating budget for Flood Control Operations and the revisions to the Fiscal Year 2007 SLIP budget revisions are approved.

The foregoing was submitted to a vote, the vote thereon was as follows:

YEAS: Mr. Barnes, Mr. Barry, Mr. Doody, Mr. Goins, Mr. Losonsky,
Mr. McKee, Mr. Pineda and Mr. Wittie

NAYS: None

ABSENT: Mr. Jackson

Motion carried.

RESOLUTION #06-21-07-023 – SUPPORT JOHN BARRY’S OPINION EDITORIAL

Mr. Barry explained he tried to lay out for the public in this piece the O.L.D.’s fiscal situation on a realistic basis and how flood operations are dependent on a healthy non-flood sector for both revenue and people. He further explained the importance of having adequate numbers of trained employees to operate the O.L.D. flood protection system, including the many floodgates, which is supplemented during emergency events by non-flood employees.

Mr. Doody added, the Board is not attempting to get into the business of operating non-flood assets; however, a great deal of manpower is required for closing floodgates and flood fighting, and those individuals must be on hand and capable of reacting immediately, which includes non-flood employees.

On the motion of Mr. McKee,

Seconded by Mr. Losonsky, the following resolution was offered:

“A resolution for Southeast Louisiana Flood Protection Authority-East to support John Barry’s opinion editorial published in the Times Picayune on June 15, 2007.”

The foregoing was submitted to a vote, the vote thereon was as follows:
YEAS: Mr. Barnes, Mr. Barry, Mr. Doody, Mr. Goins, Mr. Losonsky,
Mr. McKee, Mr. Pineda and Mr. Wittie
NAYS: None
ABSENT: Mr. Jackson
Motion carried.

Following is the opinion editorial which was published in the Times Picayune on June 15, 2007 and inserted into these minutes.

Point of View

Levee district assets aren't up for grabs

Friday, June 15, 2007

John M. Barry

As a member of the Southeast Louisiana Flood Protection Authority East, I believe the public has to understand the financial situation of the Orleans Levee District -- especially since the Legislature is considering several bills that could determine the district's ability to protect the area.

Between bonded indebtedness and court judgments against the old Orleans Levee Board, which the new flood protection authority inherited, the levee district could become insolvent, spending \$4.5 million more than it takes in beginning in the 2010-11 fiscal year. The situation continues that way until 2015, when bonds will have been paid off. (Taxes levied to pay them also expire.) If \$35 million in post-Katrina state and federal disaster loans are forgiven, the levee district will remain solvent -- but operating expenses will still be severely strained. This would mean a barely solvent levee district, lacking resources to really do its job.

Unfortunately, this seems the most likely scenario. It's a dangerous one, which could lead to some maintenance problem that is not attended to, or not having enough employees to close floodgates, or something else of the like, which could in turn cause a major disaster. This brings us to the so-called "nonflood assets" of the Orleans Levee District.

Pre-Katrina, 35 percent to 40 percent of the district's income came from assets other than taxes, such as boat-slip rentals at the South Shore Harbor. (A lucrative casino is not coming back.) Many of these assets, as they're rebuilt, are now costing money instead. Nonetheless, they will generate revenue eventually, and even in their current condition they are worth tens of millions of dollars.

How these nonflood assets are handled will make an enormous difference in the ability of the Orleans Levee District to protect the public. Last year's legislation establishing the flood protection authority prohibited it from managing these holdings, even though the levee district still owns them. (It should own them. It paid for them, and spent millions of dollars developing them.) That is good in that we don't concern ourselves with day-to-day operations. But it's bad in that we have no say over the nonflood side.

These nonflood assets provide real flood protection, both indirectly -- by providing revenue -- and directly, by employing a labor force that the levee district needs during flood threats. The levee district has many more structures and gates requiring attention in a storm than do other districts. Think of its labor force as firefighters. Firefighters may sit around a lot, but when you need them, you really need them. The nonflood assets employ this labor force, which flood operations alone cannot afford, and keep it available.

But right now a gold rush is under way as everyone from private developers to the University of New Orleans to the city of New Orleans is scrambling to grab the district's holdings. Virtually none of these players have an interest in flood protection. One specific proposal, which unfortunately has considerable support among New Orleans legislators, symbolizes just how little the Legislature is thinking about floods: It actually defines "the operations center of the Orleans Levee District" -- that's a direct quote from the proposal -- as a nonflood asset. Yet the district must control its own home, or its operations may be compromised.

Anything the Legislature does must have two paramount objectives. First, people who work for the nonflood side must continue to play the role of firefighters when a flood comes. The Orleans Levee District must have absolute command and control over all personnel during an emergency.

Second, the Legislature has to guarantee that when the nonflood assets start turning a profit again, those profits will support flood protection. Under existing law, the flood protection authority has no say whatsoever over control of revenue-producing nonflood assets. So there is no incentive for whoever is running the nonflood assets to turn over profits, instead of, say, paying itself a higher management fee or hiring more people.

Neither I nor any other member of the flood protection authority wants to manage these assets, but the Orleans Levee District does own them and we should have some power over them. The managers of revenue-producing nonflood assets should be accountable to us. We should have power to hire and fire them.

The worst idea is to give the nonflood assets to the city of New Orleans. The city would be unlikely either to yield power over its employees in an emergency, or ever turn over any profits to the Flood Protection Authority.

The Southeast Louisiana Flood Protection Authority East is less than 6 months old. We have already achieved several successes in improving protection for the area, most notably in getting the corps to commit to greater interim protection for the Gulf Intracoastal Waterway and the Industrial Canal than it had planned. We are not going to lose our focus on flood protection. We are not going to forget what happened Aug. 29, 2005. Neither should the Legislature.

RESOLUTION #06-21-07-024 – CORPS ROE – VERRETT TO CAERNARVON

LBBLD Executive Director Bob Turner advised he typically signs rights-of-entry (ROE), as well as permits, in order that they can be returned to the USACE as quickly as possible. In this situation, the ROE cannot be signed as yet because it includes private borrow pits for which the USACE has not yet secured rights. The USACE will revise the ROE to remove the borrow pit requirement and provide a ROE for the levee itself.

Mr. Doody added, the USACE is moving forward on several parallel tracts to secure the required dirt for the project.

Mr. Turner reiterated ROE's are typically signed by the Executive Director and recommended that the revised levee ROE be executed as soon as possible, as preliminary work will need to be done even before a contract is signed. The Board discussed signature requirements and concurred with Mr. Turner.

On the motion of Mr. Doody,
Seconded by Mr. Wittie, the following resolution was offered:

“A resolution authorizing the SLFPA-E President or the Executive Director of Lake Borgne Basin Levee District to sign CORPS Right-of- Entry for the Verrett to Caernarvon project.”

The foregoing was submitted to a vote, the vote thereon was as follows:
YEAS: Mr. Barnes, Mr. Barry, Mr. Doody, Mr. Goins, Mr. Losonsky,
Mr. McKee, Mr. Pineda and Mr. Wittie
NAYS: None
ABSENT: Mr. Jackson
Motion carried.

**RESOLUTION #06-21-07-025 -
LOUISIANA COMPLIANCE QUESTIONNAIRE FOR EJLD, LBBLD AND OLD**

Ms. St. Vincent advised the questionnaires have been reviewed and minor corrections were made.

On the motion of Mr. Doody,
Seconded by Mr. Wittie, the following resolution was offered:

“A resolution approving the Louisiana Compliance Questionnaire for the East Jefferson Levee District, Lake Borgne Basin Levee District and Orleans Levee District.”

The foregoing was submitted to a vote, the vote thereon was as follows:
YEAS: Mr. Barnes, Mr. Barry, Mr. Doody, Mr. Goins, Mr. Losonsky,
Mr. McKee, Mr. Pineda and Mr. Wittie
NAYS: None
ABSENT: Mr. Jackson
Motion carried.

RESOLUTION #06-21-07-026 - LAKE BORGNE BASIN LEVEE DISTRICT /DEPARTMENT OF NATURAL RESOURCES COOPERATIVE AGREEMENT

Mr. Turner advised the LBBLD has been operating the Violet fresh water diversion siphon for the State since about 1992. He explained the operating procedures and maintenance for which the LBBLD receives a fee from the Department of Natural Resources (DNR). LBBLD also acts as the agent for a contract every three to five years for dredging the Violet canal, which is fully funded by DNR.

On the motion of Mr. Doody,
Seconded by Mr. Wittie, the following resolution was offered:

“A resolution authorizing Robert A. Turner, Jr., Executive Director of Lake Borgne Basin Levee District to execute A Cooperative Agreement by and between Lake Borgne Basin Levee District and the Department of Natural Resources regarding operations and maintenance of Violet Siphon, Amendment #3, Cooperative Agreement #2503-01-18; OCR Cooperative Agreement No. 341-100310 .”

The foregoing was submitted to a vote, the vote thereon was as follows:
YEAS: Mr. Barnes, Mr. Barry, Mr. Doody, Mr. Goins, Mr. Losonsky,
Mr. McKee, Mr. Pineda and Mr. Wittie
NAYS: None
ABSENT: Mr. Jackson
Motion carried.

RESOLUTION #06-21-07-027 - ADVERTISEMENT FOR BIDS FOR HYDRAULIC EXCAVATOR & A GENERATOR FOR THE EAST JEFFERSON LEVEE DISTRICT

Ms. Campbell explained this is a request to advertise for this equipment, and when bids are received, they will be brought to the Board for selection of the lowest bid.

On the motion of Mr. Doody,
Seconded by Mr. Wittie, the following resolution was offered:

“A resolution authorizing the advertisement for bids for a Hydraulic Excavator 46,000 pound operating weight with a 21 foot digging depth class and a 6 cylinder diesel generator with installation for the East Jefferson Levee District Maintenance Department and authorizing East Jefferson Levee District to accept the lowest acceptable bid. (Approved in the 2007-2008 Budget)”

The foregoing was submitted to a vote, the vote thereon was as follows:
YEAS: Mr. Barnes, Mr. Barry, Mr. Doody, Mr. Goins, Mr. Losonsky,
Mr. McKee, Mr. Pineda and Mr. Wittie
NAYS: None
ABSENT: Mr. Jackson
Motion carried.

**RESOLUTION #06-21-07-028 -
SLFPA-E /EJLD OFFICE RENTAL & USE AGREEMENT**

Mr. Doody explained this resolution does not commit the Authority to a long term lease, but simply pays the EJLD for 600 sq. ft. of space that it has been using at \$12.00 per sq. ft., plus a pro-rata share of the monthly cost of operating the facility, effective March 1st. The agreement can be terminated with 30 days' notice. He thanked the employees of the EJLD for their assistance to the Authority.

On the motion of Mr. Doody,
Seconded by Mr. Wittie, the following resolution was offered:

“A resolution to enter into an Interagency Agreement between the Southeast Louisiana Flood Protection Authority – East and East Jefferson Levee District to set forth the terms of rental and use of the East Jefferson Levee District offices located at 203 Plauche Court, Harahan, Louisiana. ”

The foregoing was submitted to a vote, the vote thereon was as follows:
YEAS: Mr. Barnes, Mr. Barry, Mr. Doody, Mr. Goins, Mr. Losonsky,
Mr. McKee, Mr. Pineda and Mr. Wittie
NAYS: None
ABSENT: Mr. Jackson
Motion carried.

RESOLUTION #06-21-07-029 –

SLFPA-E /EJLD INTERIM REGIONAL DIRECTOR AGREEMENT

Ms. St. Vincent explained the Finance Committee concurred that EJLD should pay one-third of the current EJLD Executive Director salary (24 percent of the Regional Director salary), with the Authority paying the remainder (76 percent) to \$125,000, the agreed upon salary for the Interim Regional Director.

On the motion of Mr. Doody,
Seconded by Mr. Wittie, the following resolution was offered:

“A resolution to enter into an Interagency Agreement between the Southeast Louisiana Flood Protection Authority–East and East Jefferson Levee District to set forth the terms of the services and allocation of cost and salary for Fran Campbell as Interim Regional Director for Southeast Louisiana Flood Protection Authority-East. ”

The foregoing was submitted to a vote, the vote thereon was as follows:
YEAS: Mr. Barnes, Mr. Barry, Mr. Doody, Mr. Goins, Mr. Losonsky,
Mr. McKee, Mr. Pineda and Mr. Wittie
NAYS: None
ABSENT: Mr. Jackson
Motion carried.

**RESOLUTION #06-21-07-030 –
REVISED MEMORANDUM OF UNDERSTANDING – O.L.D. NON-FLOOD ASSETS**

Mr. Barry explained an item was added to the agenda to authorize the President to sign a revised Memorandum of Understanding (MOU) with the Division of Administration regarding the O.L.D. non-flood assets. He then offered an amendment, which was seconded by Mr. Doody and unanimously approved, to authorize the President or President-elect to sign the revised MOU, as the President is currently out of town and may not be available.

On the motion of Mr. Barry,
Seconded by Mr. Doody, the following resolution was offered:

“A resolution to authorize the President or President-elect to execute the revised Memorandum of Understanding between the SLFPA-E and SLFPA-W and Division of Administration.”

WHEREAS, by Resolution #05-17-07-11, the SLFPA-E approved and adopted the MEMORANDUM OF UNDERSTANDING REGARDING NON-FLOOD ASSETS OF THE ORLEANS LEVEE DISTRICT between the SLFPA-E and SLFPA-W, on behalf of the OLD, and the Division of Administration, State of Louisiana, dated and effective March 17, 2007, and authorized the President of

the Authority East to sign any and all documents necessary to execute this agreement; and

WHEREAS, revisions to the aforementioned Memorandum of Understanding (MOU) are under consideration, and should be parties agree, execution of a revised MOU will be required.

BE IT RESOLVED, that the President or President-Elect are hereby authorized to sign any and all documents necessary to execute a revised MEMORANDUM OF UNDERSTANDING REGARDING NON-FLOOD ASSETS OF THE ORLEANS LEVEE DISTRICT

The foregoing was submitted to a vote, the vote thereon was as follows:

YEAS: Mr. Barnes, Mr. Barry, Mr. Doody, Mr. Goins, Mr. Losonsky,
Mr. McKee, Mr. Pineda and Mr. Wittie

NAYS: None

ABSENT: Mr. Jackson

Motion carried.

RESOLUTION #06-21-07-031 – REQUEST TO WAIVE COST SHARE REQUIREMENTS FOR 100 YEAR FLOOD PROTECTION

Mr. Doody stress the size of the numbers, which is \$90 million for St. Bernard Parish's share alone.

Mr. Barry pointed out that the man made navigation canals, which benefit inter-state and international commerce and are in the national interest, in addition to the erosion of the wetlands caused by the MRGO, contributed significantly to the devastation in St. Bernard Parish. It was, therefore, in the national interest and appropriately a national responsibility for this not to be cost shared by the local area.

Mr. Turner explained funding for this work is contained in the post-Katrina First through Fifth Supplemental Appropriations. The Fourth Supplemental Appropriation addresses 100 year protection and the requirement to return to the old cost share agreements executed in the 1970's. A change in the Congressional language in the Appropriation is needed to eliminate that requirement. Replacement of I-walls with T-walls will be done at 100 percent federal cost; however, the differential in cost from raising protection from the pre-Katrina level to 100 year protection will be cost shared.

Mr. Goins informed the Board that he received a list of projects throughout the Authority's jurisdiction, along with project stage, which he would be sending to the Board members. He noted, the USACE provided conclusions, but not assumptions, at this time.

The USACE's Risk Assessment and concerns about the way the information was presented and could be perceived were discussed.

Mr. Turner recommended that the Authority consider all the Parishes under its jurisdiction in the resolution.

Mr. Stevan Spencer, O.L.D. Executive Director, explained at last week's stakeholder's meeting, the project cooperative agreement for the 100 year protection was brought up and participants were told that local cost share could be large, from \$500-\$600 million for St. Bernard and Orleans Parishes. Local assurers will also be responsible for real estate and borrow pit acquisitions, which would be credited towards the local cost share; however, this advanced cost could be large and in some cases due to volume could possibly exceed the federal credits. The stakeholder's meeting covered projects east of the 17th Street Canal. The USACE is awaiting finalization of the 100 year levels and will then be able to look at all their designs and come up with a total cost.

Mr. Turner stressed the urgency of this matter must be impressed upon the Congressional Delegation because once designs are completed and projects are near construction, the local assurers will be expected to sign agreements, and should those agreements not be signed, projects will be stopped.

On the motion of Mr. McKee,
Seconded by Mr. Losonsky, the following resolution was offered:

WHEREAS, on August 29, 2005 Hurricane Katrina devastated Southeast Louisiana by overtopping levees and breaching floodwalls; and

WHEREAS, the high winds, torrential rains and flooding caused by Hurricane Katrina resulted in catastrophic damage to public and private properties in Orleans, St. Bernard and Jefferson Parishes, severely impacting the population, local economy and tax base of these parishes and reducing the funding capabilities of their respective levee districts; and

WHEREAS, in the aftermath of Hurricane Katrina, 100 year protection for southeast Louisiana was reevaluated by the USACE and approved by Congress; and

WHEREAS, the proposed Project Cooperative Agreement for construction of the 100 year system requires the local Assurers of the districts under the jurisdiction of the Southeast Louisiana Flood Protection Authority – East to provide a local cost share of 30 percent of USACE designated applicable project costs, which project costs could well exceed \$500 million, in addition to obtaining rights-of-ways and borrow acquisitions at the expense of the local Assuror; and

WHEREAS, because of current economic conditions, intervention is required on the federal level to address the aforementioned local Assurers' requirements to construct much needed 100 year flood protection for these parishes.

BE IT RESOLVED, that the Southeast Louisiana Flood Protection Authority-East hereby requests the United States Congress to waive the local cost share requirements for the 100 year protection and to authorize the USACE

to provide all real estate and borrow acquisitions at no cost to all local Assurors within its jurisdiction (Orleans, St. Bernard, Jefferson, St. Charles, St. John the Baptist, Tangipahoa and St. Tammany Parishes).

BE IT FURTHER RESOLVED, that the assistance of the Governor of the State of Louisiana, Mayor of the City of New Orleans, the Parish Presidents, and appropriate officials, is hereby requested in this effort to assure 100 year flood protection.

The foregoing was submitted to a vote, the vote thereon was as follows:

YEAS: Mr. Barnes, Mr. Barry, Mr. Doody, Mr. Goins, Mr. Losonsky, Mr. McKee,

Mr. Pineda, Ms. St. Vincent and Mr. Wittie

NAYS: None

ABSENT: Mr. Jackson and Ms. Sutherland

Motion carried.

The next meeting of the Board will be held on July 19, 2007 in the Lake Vista Community Center, 6500 Spanish Fort Boulevard, New Orleans, Louisiana.

There was no further business, therefore, the meeting was adjourned at 4:22 p.m.