

**MINUTES OF THE
SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY – EAST
BOARD MEETING
THURSDAY, JULY 17, 2008**

The regular monthly Board Meeting of the Southeast Louisiana Flood Protection Authority - East (Authority or SLFPA-E) was held on Thursday, July 17, 2008, in the Second Flood Council Chambers, Joseph Yenni Building, 1221 Elmwood Park Blvd., Harahan, Louisiana, after due legal notice of the meeting was sent to each member and the news media and posted.

Mr. Doody called the meeting to order at 9:44 a.m. and led in the pledge of allegiance.

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

Present:

Timothy P. Doody, President
John M. Barry, Secretary
David P. Barnes, Jr.
Stradford A. Goins
Thomas L. Jackson
Larry A. McKee
Ricardo S. Pineda
Louis E. Wittie

Absent:

Abril B. Sutherland, Vice President
George Losonsky, Ph.D., Treasurer
Sara Lee St. Vincent

OPENING COMMENTS:

Mr. Doody noted that resolutions have been placed on today's agenda addressing the 100 year level of protection cost share and the 17th Street Canal seepage issue.

RESOLUTION #07-17-08-01 – ADOPTION OF AGENDA

The Agenda was amended to add the following items under Executive Session: *Shell Oil Company v. Leslie Durden, et al.*, No. 10-363, 25th JDC, Parish of Plaquemines, State of Louisiana, Division "B"; potential litigation involving claims for the return of revenues attributable to Tract 57 and Tract 65 of the Bohemia Spillway on behalf Leonard Sykes and Donald Sykes; and discussion of settlement of "Board of Commissioner Lake Borne Levee District v. Hanover Ins. Co., #06-11417 Sec N. U.S. District Court for Eastern District of Louisiana."

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

A resolution to adopt the agenda, as amended, for the Board Meeting of July 17, 2008.

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

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

NAYS: None

ABSENT: Mr. Losonsky

RESOLUTION #07-17-08-02 – APPROVAL OF MINUTES

On the motion of Mr. Barry,

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

A resolution to approve the minutes of the Board Meeting of June 19, 2008.

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

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

NAYS: None

ABSENT: Mr. Losonsky

PUBLIC COMMENTS:

Luke Ehrensing stated he was requested by Prof. Bob Bea to provide comment concerning the 17th Street Canal. He commended the Board for proceeding in the direction of an independent investigation of the seepage at the 17th Street Canal. Mr. Ehrensing advised that additional soil borings were done and observations on the seepage made on a weekly basis during the original investigation in 2005 and 2006 and he offered to share this information. He further explained he attempted to find some retired individuals through the ASCE to do this work pro bono. He commented on the independent stand that the Board is taking and that he hoped the Board continues in this direction in the interest of the citizens in this area.

Epsie Hennesy commented relative to the 17th Street Canal levee. Ms. Hennesy passed around a picture of the overbuilt levee and the levee where tree and fence removal has commenced, which showed the differences between the two sections. She stated that the residents living adjacent to the overbuilt levee in Lakewood South have made a huge effort to inform the Board about the reasons this levee is different and that there is no need for the wide spread destruction of this area. Two Board members voted against allowing the destruction. She noted that the Board is authorizing an independent study in reference to the continued seepage at the breach, which is two-plus miles away from the overbuilt section. She commented that the tree and fence removal activities are being contested with the potential for substantial damages to the levee district. She further commented that these activities are actually weakening the levee during the most active period of the hurricane season and that the levee will not have time to heal from the destructive nature of the work prior to a possible hurricane this season. She stated that it is imperative that the Board forbid any work in the

Lakewood South overbuilt section until a similar independent study is completed and that based on that study the Board could reconsider the matter.

PRESENTATIONS: None.

COMMITTEE REPORTS:

Finance Committee: Mr. Doody advised that several items that are on today's agenda were discussed at the Finance Committee meeting, including adjustments to the O.L.D.'s FY'08 Budget and the renewal of insurance coverages.

Operations Committee: Chairman Wittie reported that the Committee agenda was amended to include the discussion of utility relocations necessitated by the replacement of the Topaz Street Floodgate with an earthen levee and the responsibility for the payment of this relocation cost. The Committee took the position that this is a Non-Flood responsibility and the Orleans Levee District (O.L.D.) Non-Flood Director will contact the Division of Administration to address this issue. Col. Bedey participated in the discussion at the Committee meeting concerning the 17th Street Canal seepage issue. The U.S. Army Corps of Engineers (USACE) has agreed to provide the Authority with all the information it has relative to the seepage and the stability of the floodwall. A motion has been included on today's agenda to authorize the hiring of private engineers to provide an independent review of the USACE's information, determine whether the same conclusions are reached and assist in locating the source of the seepage. Monthly Status Reports were provided by the levee districts. The O.L.D. Executive Director noted in his report the potential for future utility relocation problems at the Lakefront Airport when improvements are made to the I-wall at that location, which includes determining responsibility for those relocation costs.

Legal Committee: The Legal Committee did not meet in July.

Special Issues Committee: The Special Issues Committee did not meet in July.

Mr. Goins advised he spoke with the Department of Transportation and Development (DOTD) staff about obtaining some of the twin span debris materials and the concept was favorably received. The Board had endorsed the Lake Catherine Association's plan to place the debris material along U.S. Hwy. 90. He further advised the Lake Pontchartrain Basin Foundation also has a viable proposal which he intended to discuss with Mr. Dufrechou. DOTD has agreed to cut the bridge spans into four sections and haul the material up to five miles at its cost; however, DOTD will not be responsible for the cost of hauling the material beyond five miles or for its placement. Mr. Goins advised he e-mailed Mark Schexnayder at the LSU AgCenter for input on possible studies and received information endorsing the concept. He pointed out the issue of liability may pose a possible problem for the Authority. DOTD wants the Authority to issue a hold harmless agreement. The logistics of long term liability and maintenance must still be worked out possibly with LaCPR.

Mr. Pineda reported on the status of the Strategic Plan and Organizational Study. The Board approved the selection of SSA Consultants and authorized the development of a

contract for signature by the President without further action by the Board. The contract has been finalized and will be signed by the President. A teleconference meeting was conducted yesterday with SSA. The phase authorized by the Board is for a \$50,000 study, which would include the Strategic Plan and at least the first component of an Organizational Study within six months. The contract includes a termination date of December 31, 2010 and a cap of \$250,000. Although the Board authorized the expenditure of \$50,000, a larger cap and extended time period was included in the contract in the event the Board decides to conduct further phases of the Organizational Study. One of the first steps to be conducted by SSA is to interview the levee districts' executive directors, the SLFPAE officers and any Board member who wishes to participate in an interview. He asked that the Board members who wish to participate in an interview contact Wilma Heaton. He anticipated holding a Strategic Plan Workshop at the end of the August Board meeting, which would provide an opportunity to solicit input from Board members. Mr. Doody agreed that this could be placed as the final item on the agenda for the Board's regular monthly meeting in August.

Mr. Pineda provided an update on the Request for Qualifications (RFQ) for a firm to assist the Authority with processing and acquiring Lands, Easements, Rights-of-way, Relocations and Disposal Sites (LERRDS), which is needed as part of the on-going work with the USACE for various projects. He advised the Board previously approved the advertisement of this RFQ and that he has drafted a scope. He anticipated advertising the RFQ, interviewing firms on the Wednesday before the August Board meeting and coming to the Board with the selection process at its September Board Meeting.

Mr. Pineda advised that he met with Robert Turner, SLFPAE Regional Director, relative to the development of Indefinite Delivery-Indefinite Quantity (ID-IQ) contracts for engineering services. Input from Board members on these RFQ's will be requested via e-mail. Two particular RFQ's for engineering support are being considered at this time—the first related to hydraulic structures and project management and the second related to geotechnical engineering of levees and project management. The focus of these services will be on the continuing repairs of the flood protection system and as technical support for the Authority's responsibility in the 100 year protection project. Mr. Pineda advised he would develop the scopes for these RFQ's and bring a request for approval of their issuance to the Board at its August or September meeting.

Mr. Barry provided an update on cost share issues. Essentially, the final version of the supplemental appropriation did not include anything that the State requested and left the State of Louisiana with \$1.8 billion cost share. He commended Senator Landrieu and Senator Vitter for their hard work and explained that the Senate did exactly what the State had requested in terms of a thirty year pay back period for the local cost share and cutting the figure to the traditional cost share under existing law. The Administration proposal actually increases the traditional cost share over what had been paid in the past for the same projects. The House did not go along with these requests. Negotiations took place primarily between the House and White House, and White House opposition was damaging. A series of meetings have been held and e-mails exchanged on this issue and there is uncertainty in the short term. A resolution has been placed on today's agenda urging action by the Federal government. Similar

resolutions are anticipated to be adopted by the New Orleans City Council and surrounding parish governments. A supplemental appropriation is expected to move within the next few days in the Senate that primarily addresses the needs of the upper-mid west from flooding. He discussed the remote possibility of using this supplemental appropriation as a vehicle for the State's requests; however, action by the House is questionable and, if passed by Congress, could be vetoed by the President.

Mr. Barry explained that he did not think it was likely that any relief on the cost share issue would be forthcoming until the next Administration comes into office and that the commitment previously made by President Bush seems to have been broken. Senator McCain has explicitly made a commitment to the region and several weeks ago made a commitment to Category 5 protection. Although he has not made any specific commitments to the region to Mr. Barry's knowledge, in general Senator Obama seems to have been very supportive of the region. The local cost share will not have to be paid until the next Administration is in office; therefore, with the election of either individual the region would be in a much better position. Much of the discussion at last week's CPRA meeting was directed at the cost share problem. It was pointed out that \$1.8 billion is equivalent to roughly 40% of the State's discretionary budget and that forcing the State to pay this huge amount would set different parts of the State and their needs against each other.

Mr. Doody remarked that from the beginning funding was identified as being a huge issue and that this was the reason the Authority conducted the Levee Summit last November. The Board adopted several resolutions after holding the summit, however, commitments have not been received from the Federal or State government. He advised SLFPAE will continue to work diligently contacting members of the Congressional delegation and State legislators about this issue. He pointed out that there will not only be competing interests for Federal dollars from the North and West, but also competition on the State level from healthcare, schools, roads, etc.

Mr. Barry added, the Levee Summit was held specifically in an attempt to make people realize that flood protection would "not just happen" and that someone needed to "make it happen". However, this message was not grasped and flood protection became important, but not the number one priority. The thought seemed to be that flood protection would just happen because it was obvious and needed; therefore, the political leadership, with the exception of Senators Landrieu and Vitter, in the normal course of events put their attention elsewhere.

Mr. Barry further explained that the bonding out of future off shore revenues looks increasingly problematic in part due to the need to clearly define what is the State's share. One of the complications that has arisen, for example, deals with the Executive Branch's position that any oil going into the strategic petroleum reserve is exempt. Since the Federal government controls how much oil goes into the strategic petroleum reserve, neither the State nor a lender could know for certain how much oil will actually go to Louisiana's credit. Therefore, a revenue stream cannot be calculated and bonds cannot be issued. In addition, there was a disconnect between the actual value of this revenue stream which commences in 2017 and the value that Wall Street was initially

willing to place on it. Also, the Federal government believes it deserves \$175 million for processing fees.

REGIONAL DIRECTOR'S REPORT:

Robert Turner reviewed the Regional Director's Report (copy appended). Additionally, he advised that various meetings are currently taking place, particularly for St. Bernard Parish and New Orleans East, relative to the engineering alternatives reports. The costs associated with the various alternatives are being looked at. There is a possibility that the USACE will go with a concrete T-wall for major portions of the levees required for the protection system in St. Bernard Parish and New Orleans East and the pluses and minuses of this alternative will need to be considered.

The USACE is requesting that a decision be provided soon on the Bayou Dupre Control Structure. Mr. Turner described several options that are being considered for location of the new structure. One option is to place the new structure on the MRGO side of the existing structure. A second option is to demolish the old structure and replace it with the new structure, which would be attractive from an operations and maintenance standpoint since there would be only one structure instead of two to operate and maintain.

Mr. Jackson commented on prior meetings that had been conducted and those that are upcoming with respect to the Lakefront pumping stations and the alternatives review process. He advised that he and Mr. Turner attended a SELA project meeting at which the Lakefront pumping stations and the Pump to the River concept were discussed. The USACE is looking at the Pump to the River concept because of the Congressional mandate in the 90 day report. The USACE informed Jefferson Parish that the cost to construct the Pump to the River station is three times the cost to pump to the lake. The USACE will conduct two upcoming meetings to discuss the 90 day report. The first meeting will be a general discussion by stakeholders, including SFLPAE. He stressed the importance of the decision on the Lakefront pumping stations to the Authority because of the miles of levees stretching along the outfall canals. The USACE has also agreed to a meeting that will probably be held this week relative to the alternatives beyond those developed by the USACE, including the global solution. He indicated as soon as the 90 day report is submitted, it would be SLFPAE's responsibility to stress the importance of the right solution on the outfall canals. A similar technical meeting has been requested concerning the East Jefferson Lakefront Levee with regards to the "Spencer method" of analysis and the East Jefferson West Return Floodwall.

The Board briefly discussed the USACE's new standards pertaining to I-walls and levees and the increase in costs associated with the new standards. The new standard for levees uses the "Spencer method" of analysis, which is a more conservative method than that used in the past. It was pointed out that the USACE has also revised its embankment specifications.

RESOLUTION #07-17-08-03 – EJLD LAKEFRONT LINEAR PARK SHORELINE PROTECTION

Mr. Jackson advised that he was abstaining on this vote, not because he had a conflict, but because his brother represents one of the firms competing for this work.

Mr. Pineda explained a Request for Qualifications was advertised for the selection of an engineering consultant to assist the Authority and work specifically with the East Jefferson Levee District. The selected firm would essentially plan and design the project, work with FEMA on project worksheets and provide project management and inspection to carry out the reimbursable work to restore shoreline protection along approximately 50,000 linear feet of East Jefferson lakefront levee. Five responses were received: (1) ABMB, (2) Krebs, LaSalle, Lemieux Consultants, Inc., (3) Lambert Engineering, Inc., (4) Design Engineering, Inc., and (5) Burk-Kleinpeter, Inc. The selection panel was composed of Mr. Pineda, Jason McCrossen, LBBLD Executive Director, Fran Campbell, EJLD Executive Director, and Gerry Gillen, O.L.D. Chief Engineer. Qualifications and proposals were reviewed. Interviews were conducted with all five firms on June 18th with each firm being asked a standard set of questions. The firms were scored independently by each selection team member. The scores were tallied a week later and compared. Three firms rose to the top and were very close; however, Burk-Kleinpeter, Inc. received the highest score. There was a consensus and the selection team members were comfortable with recommending Burk-Kleinpeter, Inc. to the Board. The Regional Director working with Fran Campbell will finalize the contract for execution by the President without further delay so that the work can begin as soon as possible.

Fran Campbell advised the selected firm would coordinate with the USACE and the State's master plan.

On the motion of Mr. Barry,

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

WHEREAS, a Request for Qualifications was advertised for consulting engineering services to design and manage the restoration of the East Jefferson Levee District (EJLD) lakefront linear park shoreline beginning at the St. Charles Parish line eastward to the 17th Street Canal; and

WHEREAS, proposals and qualifications were reviewed, and interviews conducted, and the five responding firms or teams of firms were ranked by a selection team; and

WHEREAS, the selection team has recommended Burk-Kleinpeter, Inc. as best qualified consultant for the design and management of the EJLD Lakefront Linear Park Shoreline Protection Project.

BE IT HEREBY RESOLVED, that the Southeast Louisiana Flood Protection Authority-East (SLFPA-E) approves the selection of Burk-Kleinpeter, Inc. to provide the Consulting Engineering Services for the aforementioned project.

BE IT FURTHER RESOLVED, that the SLFPA-E Regional Director is hereby authorized to negotiate a final fee and contract for said services, and the President is hereby authorized to execute said contract without further action by the Board.

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

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

ABSTAINED: Mr. Jackson
NAYS: None
ABSENT: Mr. Losonsky

Mr. Doody announced that Robert Turner was the recipient of the Outstanding Government Civil Engineer Award for 2008 from the ASCE New Orleans Branch and that Thomas Jackson has been placed on the Wall of Fame for the ASCE.

EXECUTIVE SESSION:

1. In re: Katrina Canal Levee Breaches Consolidated Cases, USDC EDLA 05-4182.
2. *Shell Oil Company v. Leslie Durden, et al.*, No. 10-363, 25th JDC, Parish of Plaquemines, State of Louisiana, Division "B".
3. Potential litigation involving claims for the return of revenues attributable to Tract 57 and Tract 65 of the Bohemia Spillway on behalf Leonard Sykes and Donald Sykes.
4. Discussion of settlement of "Board of Commissioner Lake Borne Levee District v. Hanover Ins. Co., #06-11417 Sec. N, U.S. District Court for Eastern District of Louisiana."

At 10:45 a.m. a motion was offered by Mr. Barry, seconded by Mr. Goins and unanimously adopted, for the Board to convene in Executive Session.

The Board reconvened in regular session at 12:45 p.m. and the meeting was called back to order.

RESOLUTION #07-17-08-04 – LEGAL ACTIONS

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

BE IT RESOLVED, in accordance with discussions held in Executive Session, the Board hereby:

- Supports the direction of the firm of Gordon, Arata relative to the litigation entitled, *Shell Oil Company v. Leslie Durden, et al.*, No. 10-363, 25th JDC, Parish of Plaquemines, State of Louisiana, Division "B".
- Supports the recommendation by Mark Hanna, Attorney, relative to the settlement of "Board of Commissioner Lake Borne Levee District v. Hanover Ins. Co., #06-11417 Sec. N, U.S. District Court for Eastern District of Louisiana", concerning wind damage of LBBLD facilities.
- Follows the direction of Thomas Anzelmo, Attorney, related to the 17th Street Canal tree and fence removal.

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

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

NAYS: None

ABSENT: Mr. Losonsky

RESOLUTION #07-17-08-05 – APPROVAL OF LEGAL FEES

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

BE IT RESOLVED, that the schedule of legal fees presented to the Board by T. Robert Lacour, Interim General Counsel, totaling \$85,052.82 for the Southeast Louisiana Flood Protection Authority-East, Orleans Levee District, East Jefferson Levee District and Lake Borgne Basin Levee District is hereby approved.

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

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

NAYS: None

ABSENT: Mr. Losonsky

RESOLUTION #07-17-08-06 – O.L.D. PROCUREMENT OF EXCESS FLOOD INSURANCE COVERAGE

The O.L.D. is currently carrying the maximum coverage that can be obtained under the federal flood insurance program. The Franklin Avenue Warehouse building is valued at \$29 million and the Franklin Administration Building is valued at \$2.5 million. A schedule was provided showing the options that could be obtained for excess flood insurance coverage. Stevan Spencer, O.L.D. Executive Director, recommended procuring Option 2 (\$4 million building coverage and \$1 million contents coverage) for the Franklin Warehouse with a total premium of \$33,111.75.

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

WHEREAS, the Orleans Levee District (O.L.D.) Franklin Warehouse building is insured up to the maximum flood insurance amount offered by the Federal Flood Insurance Program and procurement of Excess Flood Insurance coverage is financially prudent; and

WHEREAS, Excess Flood Insurance coverage is only offered by independent insurance companies and said coverage was offered to insure Franklin Warehouse Building by Lexington Insurance Company through Eagan Insurance Agency at a total annual cost of \$33,111.75, with limits of coverage of \$4 million on the building and \$1 million on the contents.

BE IT HEREBY RESOLVED, that the Southeast Louisiana Flood Protection Authority-East authorizes the procurement of Excess Flood Insurance coverage (Option 2) as offered by Lexington Insurance Company, a Surplus Lines Insurance Company through Eagan Insurance Agency, at a total cost of \$33,111.75 for a period of one year, and authorizes O.L.D. Executive Director 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. Goins, Mr. Jackson, Mr. McKee,

Mr. Pineda and Mr. Wittie
NAYS: None
ABSENT: Mr. Losonsky

RESOLUTION #07-17-08-07 – LOUISIANA COMPLIANCE QUESTIONNAIRES

Mr. Doody explained this matter concerns representations that must be made to the Auditors for the Authority and levee districts and has been discussed at the Finance Committee meeting. Copies of the Compliance Questionnaires were presented to the Board at the meeting.

Mr. Turner advised that he reviewed the Compliance Questionnaires and recommended approval by the Board. He indicated that he would follow up with the Legislative Auditor should there be any questions.

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

WHEREAS, Section 327.08 of the Louisiana Governmental Audit Guide (the Guide) specifies that the Louisiana Compliance Questionnaire is a required part of any audit of Louisiana; and

WHEREAS, the Guide further specifies that the responses contained in the questionnaire should be reviewed by the governing body and approved in an open meeting.

BE IT HEREBY RESOLVED, That the Southeast Louisiana Flood Protection Authority-East approves the representations made by management in the Louisiana Compliance Questionnaires for the Southeast Louisiana Flood Protection Authority-East (SLFPAE), the Orleans Levee District, the East Jefferson Levee District and the Lake Borgne Basin Levee District.

BE IT FURTHER RESOLVED, That the SLFPAE President and SLFPAE Regional Director or Levee District Executive Director, as appropriate, are authorized to sign the Louisiana Compliance Questionnaires.

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

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

NAYS: None

ABSENT: Mr. Losonsky

RESOLUTION #07-17-08-08 – RISK COMMUNICATION

Mr. Barry explained that the phrases “100 year flood”, “500 year flood”, “1,000 year flood” and “10,000 year flood” do not communicate to the public or policy makers the actual risk of a flood. For example, the phrase “100 year flood” is designed to say that there is a one percent chance in any given year that an event will meet or exceed the standard of a 100 year flood or an event likely to come once every 100 years. This fails to communicate to the public or policy makers the cumulative risk over a period of time. For instance, in the average person’s lifetime there is well over a 50 percent chance that

he/she will see a flood equal to or greater than a so called 100 year flood. There is between a five and ten percent chance that a person will live through in his/her lifetime a so called 1,000 year flood. Congressmen in Washington would think that a request for protection against a “10,000 year flood” is ludicrous; however, if a request is made for protection against an event whose likelihood of occurring is between one-half and one percent in an individual’s lifetime and the impact of that event is so catastrophic it would be measured not in the tens of billions of dollars, but in the hundreds of billions of dollars, then the cost-benefit ratio changes in their minds. In addition, the general public thinks that it is well protected with protection against a “100 or 500 year flood”. The Authority is struggling to achieve 100 year protection; however, there is a better than a 50 percent chance of it being exceeded in the lifetime of an individual born when that protection goes into place. The way that the public prepares itself and policymakers view issues is structured by language. Since perception can be changed by changing language, he stressed the importance of communicating the real risks to those individuals who must make decisions about where to put limited resources.

Mr. Barry advised that discussions relative to this issue have been on going for some time. In recent years FEMA has tried to change the terminology it uses and shift away from the term “100 year flood” to using a term of mortgages; e.g., there is roughly a 26 percent chance that a mortgage holder will see a 100 year event in the life of a 30 year mortgage. Although this is an improvement in language, it still does not communicate anything about the catastrophic impact of a flood to an entire community. The USACE conceded that a major mistake made in the past was that when cost-benefit ratios were evaluated, a value on human life was not included, nor was a calculation included to value catastrophic impact, such as impact on a society and infrastructure.

Mr. Barry reported that a similar resolution was unanimously adopted by the Coastal Protection and Restoration Authority (CPRA). He advised that he is in communication with people at the National Research Council and policymakers who have been discussing this issue for some time and the thought was that a resolution may spur some action. He indicated that although he had personal preferences in terms of language, he did not at this time have a solution and was not proposing a specific substitution of language in the resolution.

Mr. Jackson pointed out that the National Oceanic and Atmospheric Administration (NOAA) is still using category storms, which does not address the return frequency, and does not tie into, for example, a 100 year flood event. He recommended that NOAA be included in this coordination of language so that the public could be better informed.

The Board discussed storm return frequency terminology, risks, modeling and protection.

Mr. Turner pointed out that return frequency and terms such as one percent storm are probabilities and not risks. Risk is defined as the multiplication of probability times the consequences. A levee may have a high probability of being overtopped, however, if there are no consequences associated with it being overtopped, such as a spillway levee, then there is no risk. As consequences increase, the risk number rises. Mr. Barry concurred and noted the resolution makes a point relative to catastrophic impact.

Mr. Pineda explained that the Interagency Flood Risk Management Committee, which includes leadership from FEMA, the USACE, the Association of State Flood Plain Managers and National Association of Flood and Storm Water Management Agencies, meets about four times a year and discusses issues such as this topic. The new thinking is that flood risk should be communicated in terms of the probability times the consequence. The discussion is continuing and evolving, however, a new standard that everyone in the industry can use has not been developed.

Mr. Barry noted that a lot of legislation is tied to the standards; therefore, the language must be kept translatable to the old legislation. He stated that FEMA and the USACE are the two main federal agencies involved in this issue, however, someone must take the lead in coming up with language and making a change. The National Research Council, which works under auspices of the National Academies of Science, is actively working on this issue and will probably be making some recommendations in this area in several months.

There was a brief discussion concerning the media's roll and responsibility in educating the public concerning risks.

The Board unanimously concurred with amending the resolution to include NOAA.

On the motion of Mr. Barry,

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

WHEREAS, an important component of providing flood protection involves accurately informing both policy makers and citizens of the real risk of a dangerous event; and

WHEREAS, the current terminology of a "100 year flood," i.e., a flood with a 1% chance of being equaled or exceeded in a given year, as well as "500 year flood," "1,000 year flood," "10,000 year flood," and so on fails to accurately and clearly convey actual flood risk for numerous reasons, including but not limited to the fact that it fails to communicate cumulative risk over time and it also fails to communicate the potential catastrophic impact of a flood; and

WHEREAS, so-called "100 year protection" could give a false sense of security that could guide decisions that lead to enormous economic loss and loss of life; and

WHEREAS, the risk of a so-called "100 year flood" occurring in the average life-span of an individual is well over 50%; and

WHEREAS, the risk of a so-called "1,000 year flood" occurring in the average life-span of an individual is well over 5%; and

WHEREAS, the effort by the Federal Emergency Management Agency to change the terminology by pointing out that the chances of a 100 year flood occurring during the term of a 30 year mortgage is 26%, roughly triple the risk of a fire during that period, still fails to communicate either the real risk of a greater flood or any sense of the catastrophic community-wide impact of such a disaster.

BE IT HEREBY RESOLVED, that the Southeast Louisiana Flood Protection Authority-East urges the Federal Emergency Management Agency, the U.S. Army

Corps of Engineers, the National Academies of Science, and the National Oceanic and Atmospheric Administration (NOAA) to explain “flood risk” (and redefine the term as appropriate) in a way that successfully communicates to the public the real risk over time of an event and the potentially catastrophic impact of such an event.

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

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

NAYS: None

ABSENT: Mr. Losonsky

RESOLUTION #07-17-08-09 – 17th STREET CANAL SEEPAGE

Mr. McKee explained this resolution was precipitated by a meeting held at the USACE on May 30th to discuss a joint peer review. A dialog was opened after this meeting, which resulted in the thought that perhaps the Authority should proceed with this review on its own and not jointly with the USACE so as to convey more credibility to the public. This issue was discussed at the Operations Committee meeting and the Committee adopted a motion to recommend to the Board that it hire one structural engineer and one geotechnical engineer for this study. Mr. McKee advised that Mr. Goins, Mr. Jackson and Mr. Turner would be working with him on this selection and he hoped to also include Mr. Losonsky. Mr. McKee distributed a list of geotechnical and structural engineers that he had put together to the individuals named.

Mr. McKee further explained that the USACE was asked to provide its scope of work for the Authority to modify, improve and use. Mr. Turner has scheduled a meeting with the USACE in about a week relative to this issue. Mr. McKee suggested that the Authority could stipulate that the work be done in 45 days or less as part of the scope.

Mr. Jackson commented on the May 30th meeting with the USACE and on whether an investigation of the seepage was actually completed. He expressed concern about hiring someone just to review the USACE’s work. He commented that the USACE has agreed to install piezometers at the direction of whoever does this review, and to monitor and record the data. He questioned whether the not to exceed amount of \$20,000 would be sufficient.

Mr. Doody explained the Operations Committee discussed using an amount of \$20,000 in order to fast track the selection process. The Committee hoped that the data provided by the USACE would be reviewed, determinations made concerning any additional tests that should be performed and then proceeding from that point.

Mr. Jackson recommended that two geotechnical engineers be hired, one having expertise in soil structure interactions, in lieu of hiring a structural engineer.

Mr. McKee explained that he understood that the USACE had performed some subsurface investigations and some type of analysis, and found that the stability of the wall is not being sacrificed in any way because of the seepage. Therefore, the Board

should be concerned with verifying the fact that the wall is stable, and if the wall is stable, then determining the origin of the water.

The Board discussed the type of technical expertise that should be possessed by the individuals to be hired for the review and the possibility that recommendations may be received as a result of the review for follow up work. It was pointed out that an RFQ could be issued for any recommended follow up work. The need for ID-IQ contracts to be in place to address issues such as this in the future should they arise was also pointed out.

Mr. McKee stated he would accept a modification of the motion to specify professional engineering consultants in lieu of structural and geotechnical engineering consultants. This modification would remove the restriction and allow the selection team options after debate. He explained that under Louisiana law a professional engineer must be licensed.

Mr. Pineda indicated his interpretation of the modified motion was that an out of state engineer who is not licensed in Louisiana could not perform this service for the Authority, and Mr. McKee indicated that this was correct. The Board discussed whether there was a need for the individuals to have a Louisiana license. Mr. McKee advised that the Louisiana Licensing Board has procedures in place for engineers wanting to do such work, and that in effect gives a temporary license or permit.

The Board then voted on the motion as modified.

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

BE IT HEREBY RESOLVED, that the Southeast Louisiana Flood Protection Authority-East approves the hiring of professional engineering consultants at a cost not to exceed \$20,000 to perform a review of the information provided by the U.S. Army Corps of Engineers in connection with seepage on the 17th Street Canal (at breach) and to provide a written report.

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

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

NAYS: None

ABSENT: Mr. Losonsky

**RESOLUTION #07-17-08-10 -- RESOLUTION TO URGE AND REQUEST
THE UNITED STATES GOVERNMENT TO PROVIDE THE
STATE OF LOUISIANA WITH ONE HUNDRED YEAR FLOOD PROTECTION**

Mr. Barry explained that a meeting was held on Monday that was attended by officials of the local parishes and State and that Garret Graves requested that the Authority adopt a resolution similar to one adopted in the recent past concerning the cost share. This resolution is more limited and focused than the earlier resolution and explicitly

addresses the stretch out of payment over a 30 year period. He commented on the upcoming visit to New Orleans of several members of the House, including Speaker Nancy Pelosi.

Mr. Doody requested that efforts be doubled and commented on the importance of personal contact and educating the Congress and State legislators about the problems.

Mr. Barry pointed out that should the thirty year pay out period be achieved, the Federal government would be required to put the money up front and an appropriation would be needed.

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

WHEREAS, in the aftermath of the flooding and devastation caused by Hurricane Betsy in 1965, the Government of the United States promised the citizens of Southeast Louisiana Category 3 Hurricane Protection, for which the local citizenry contributed significant cost share funding; and

WHEREAS, the U.S. Army Corps of Engineers before Hurricane Katrina informed Louisiana that it was protected against a hurricane likely to come no more frequently than once in 200 years, and that the standard of protection was supposedly even higher in some areas; and

WHEREAS, improvements along the entire Mississippi River system, including its tributaries, and the construction of reservoirs for electricity production, irrigation, and flood protection in states as far away as North Dakota have deprived the Mississippi River of enormous amounts of sediment needed to sustain coastal lands in Louisiana; and

WHEREAS, Southeast Louisiana has played a major roll in the shipping and oil and gas industries, benefiting the quality of life and economy of the nation as a whole but, in concert with levees designed to protect Southeast Louisiana, causing great loss of Louisiana coastal lands; and

WHEREAS, these activities, which benefited the entire nation by providing such inland cities as Pittsburgh and Tulsa with direct access to the ocean and by protecting national security (which was the original purpose of the Gulf Intra-coastal Waterway) have caused the loss of 2,100 square miles of Louisiana's coastal lands; and

WHEREAS, according to the U.S. Army Corps of Engineers each mile of land over which a storm surge travels absorbs roughly one foot of storm surge, so that if these 2,100 square miles of lost land still existed then the populated areas of coastal Louisiana would not require the enormous investment in flood protection infrastructure that must now be made; and

WHEREAS, on August 29, 2005 Hurricane Katrina devastated Southeast Louisiana by overtopping levees and breaching floodwalls, with high winds, torrential rains and flooding causing catastrophic damage to public and private properties in Southeast Louisiana, severely impacting the population, local economy and tax base of these parishes and reducing the funding capabilities of their respective levee districts; and

WHEREAS, true one hundred year protection for Southeast Louisiana must be approached from a regional perspective with a contiguous system that eliminates all gaps; and

WHEREAS, in the aftermath of Hurricane Katrina, one hundred year protection for Southeast Louisiana was reevaluated by the USACE and approved by Congress; however, the current local cost share requirement for this protection is estimated to be \$1.8 billion for Southeast Louisiana, and without payment of this substantial sum this much needed protection will not be constructed or will be substantially delayed jeopardizing the safety and property of the people of Southeast Louisiana; and

WHEREAS, the Governor of Louisiana has stated his commitment for citizens of the state to pay their proper cost share, yet since much of Southeast Louisiana is still rebuilding and attempting to bring in new development, imposing an additional tax burden on citizens there of \$1.8 billion will greatly hamper recovery and in some areas make recovery impossible; and

WHEREAS, the Secretary of the Army has the discretion to allow local cost share to be paid over a thirty year period, and this discretion has been applied in situations not as exigent as Louisiana's.

NOW THEREFORE, BE IT RESOLVED, that the executive branch is urged to exercise its discretion and allow payment of the local cost share over a thirty year period, and if the executive branch does not exercise its discretion, that the Congress of the United States enact S 3172 or other measures which mandate a thirty year period for repayment, and that the Congress is urged to appropriate necessary funds so that construction is not delayed;

BE IT FURTHER RESOLVED, that the Authority hereby extends its most sincere best wishes to the victims of recent disasters across the nation, and urges Congress to work together to not only help restore all of our communities but to ensure we are secure from similar future events through appropriating immediate funding for disaster assistance through the passage of an emergency supplemental appropriation, reforming the Stafford Act, addressing the insurance crisis, and improving the implementation of the National Disaster Plan.

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

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

NAYS: None

ABSENT: Mr. Losonsky

RESOLUTION #07-17-08-11 –

EJLD GENERAL LIABILITY AND AUTOMOBILE INSURANCE COVERAGES

Eddie Murphy, Senior Vice President of Arthur J. Gallagher Risk Management Services, explained the incumbent carrier for Automobile Insurance, Travelers, advised that it no longer wanted to insure the levee district. A quote was obtained from Southern Insurance Co. that duplicates the current coverage with a reduction in premium of \$17,460.

On the motion of Mr. Jackson,

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

WHEREAS, the East Jefferson Levee District's (EJLD) General Liability and Automobile Insurance coverages will expire on July 19, 2008; and

WHEREAS, Southern Insurance Co., an admitted AM Best Rated A-VIII company, has submitted a quote for renewal of Automobile Insurance Coverage at an annual cost of \$148,539 for a one year term commencing July 19, 2008; and

WHEREAS, ACE, the expiring carrier, has submitted a quote for renewal of General Liability Insurance coverage at an annual cost of \$71,754.90; and

WHEREAS, the aforementioned quotes were received through Arthur J. Gallagher Risk Management Services.

BE IT HEREBY RESOLVED, that the Southeast Louisiana Flood Protection Authority-East authorizes the procurement of Automobile Insurance coverage from Southern Insurance Co., at an annual cost of \$148,539, and General Liability Insurance coverage from ACE at an annual cost of \$71,754.90, through Arthur J. Gallagher Risk Management Services, and authorizes the EJLD Executive Director to execute 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. Goins, Mr. Jackson, Mr. McKee,
Mr. Pineda and Mr. Wittie

NAYS: None

ABSENT: Mr. Losonsky

RESOLUTION #07-17-08-12 – ORLEANS LEVEE DISTRICT BUDGET REVISIONS

Jim Bollinger, O.L.D. Comptroller, explained that last month the Board approved revisions to the FY'08 Budget; however, an additional revision is required due to some errors. He reviewed the financial schedules that were provided. A corrected General Fund Surplus of \$1.3 million was noted. He reminded everyone that the O.L.D. would be in a deficit were it not for the State's temporary payment of the debt service. A payment of \$3.3 million from the General Fund will be required for the debt service for the Public Improvement Bonds beginning in 2010 and extending to 2016. At that time a payment of \$5.6 million will also be required for the debt service for the Special Levee Improvement Bonds. The annual payment for the total debt service for the two funds will be approximately \$9 million. He also emphasized that the O.L.D.'s current level of operating expenditures will not be sufficient once the Federal government turns over newly constructed projects to the levee district. The O.L.D. has a suppressed level of operating expenses and a deferral of debt this year, therefore, he emphasized that the Board should not think that the General Fund is healthy.

The additional operations and maintenance costs of the flood protection structures that are expected to be constructed by the USACE, along with maintenance costs of increased rights-of-ways, were briefly discussed.

On the motion of Mr. Jackson,

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

WHEREAS, by Resolution No. 03-15-07-008, the Board approved the General Operating Budget and Special Levee Improvement Projects (SLIP) Fund Budget for Fiscal Year 2008 to provide for required expenditures for personnel services, contractual services, operating supplies, equipment, annual debt service and capital projects; and

WHEREAS, when actual results or expectations change materially, adjustments are considered and proposed as amendments for the Board's approval, as was done in February, 2008, by Resolution No. 02-21-08-09, and in June, 2008, by Resolution No. 06-19-08-10; and

WHEREAS, a review of the operating results through the end of June indicate that budget revisions to the Flood Control Operating and SLIP Fund budgets are necessary to comply with applicable state law, which requires that budgets be changed to reflect new expectations. Such revisions are detailed on the financial schedules attached hereto and made a part hereof; and

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

General Operating Budget

1. Increase in Expenditures	\$ 390,000
2. Decrease in Other Financing Sources	<u>(635,000)</u>
Net Change	<u>\$ (1,025,000)</u>

WHEREAS, the following summarized adjustments are determined to reflect the projected operating results of the Special Levee Improvement Fund based on the latest revenue and expenditure estimates.

Special Levee Improvement Fund

1. Decrease in Other Financing Sources	<u>\$ 635,000</u>
Net Change	<u>\$ 635,000</u>

BE IT HEREBY RESOLVED, That the revisions to the Fiscal Year 2008 General Operating Budget and SLIP Fund budgets are approved.

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

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

NAYS: None

ABSENT: Mr. Losonsky

RESOLUTION #07-17-08-13 – O.L.D. EMPLOYEE ASSISTANCE PROGRAM

Mr. Jackson advised this matter was discussed and recommended by the Finance Committee. Mr. Doody noted the total cost of this program last year was \$2,800.

On the motion of Mr. Jackson,

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

WHEREAS, C. Philip Bein has been retained by the Orleans Levee District (O.L.D.) 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, C. Philip Bein has agreed to continue the same rates as in Fiscal Year 2008; and

WHEREAS, the aforementioned services are utilized and paid on an “as needed” basis, and funding is available in the FY 2009 O.L.D. Professional Services Budget.

BE IT HEREBY RESOLVED, that the Southeast Louisiana Flood Protection Authority-East approves the renewal of the counseling services of C. Philip Bein for a period of one year from July 1, 2008 through June 30, 2009 for an amount not to exceed \$5,000, and authorizes the O.L.D. Executive Director 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. Goins, Mr. Jackson, Mr. McKee,
Mr. Pineda and Mr. Wittie

NAYS: None

ABSENT: Mr. Losonsky

RESOLUTION #07-17-08-14 –

O.L.D. GENERAL LIABILITY INSURANCE COVERAGE

Mr. Murphy advised that there has been a slight decrease in this year’s premium for renewal of this coverage.

On the motion of Mr. Jackson,

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

WHEREAS, the Orleans Levee District’s (O.L.D.) General Liability Insurance coverage will expire on July 19, 2008; and

WHEREAS, a quote has been received from ACE, the expiring carrier, through Arthur J. Gallagher Risk Management Services, for renewal of General Liability Insurance coverage at an annual cost of \$104,755.35; and

WHEREAS, aforementioned premium will be pro-rated between the O.L.D. Flood Assets Division and the O.L.D. Non-Flood Assets Division with 50 percent of the cost allocated to each division.

BE IT HEREBY RESOLVED, that the Southeast Louisiana Flood Protection Authority-East authorizes the procurement of General Liability Insurance coverage from ACE at an annual cost of \$104,755.35, through Arthur J. Gallagher Risk Management Services, and authorizes the O.L.D. Executive Director to execute 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. Goins, Mr. Jackson, Mr. McKee,
Mr. Pineda and Mr. Wittie

NAYS: None

ABSENT: Mr. Losonsky

RESOLUTION #07-17-08-15 – ACT OF CORRECTION FOR TRACT 106-A

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

WHEREAS, under Act 1364 of 1997, the Louisiana Legislature enacted legislation providing for the return of tracts of land in the Bohemia Spillway in Plaquemines Parish to the heirs and successors of those individuals who had their land expropriated, or acquired under threat of expropriation; and

WHEREAS, Acts of Transfer were executed returning interests in tracts to those individuals certified by the Department of Natural Resources; and

WHEREAS, a change is required in the property description contained in the Act of Transfer of Immovable Property Without Warranty dated December 5, 2006 transferring Tract 106-A.

BE IT HEREBY RESOLVED, that the Southeast Louisiana Flood Protection Authority-East authorizes Stevan G. Spencer, Orleans Levee District Executive Director, to execute an Act of Correction to change the property description in the Act of Transfer of Immovable Property Without Warranty dated December 5, 2006 for Tract 106-A.

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

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

NAYS: None

ABSENT: Mr. Losonsky

RESOLUTION #07-17-08-16 – LBBLD AUTOMOBILE INSURANCE AND GENERAL LIABILITY INSURANCE COVERAGES

Mr. Murphy advised that the cost of last year's General Liability coverage was \$84,256.20 and the cost for this year's coverage with the existing carrier is \$80,740.80. He recommended that the Automobile Insurance policy with the current carrier, Progressive Insurance Co., be cancelled and replaced with a policy from Southern Insurance Co., due to the savings in costs. This would be a mid-term replacement of coverage. The annual premium with Progressive is \$68,020. An inspection fee in the amount of \$750 would be added to the proposed premium of \$40,464, bringing the total annual cost for coverage with Southern Insurance Co. to \$41,214.

Mr. Jackson thanked Arthur J. Gallagher Risk Management Services for its hard work in securing insurance coverages for the Authority and levee districts at the best possible rates.

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

WHEREAS, the Lake Borgne Basin Levee District's (LBBLD) Automobile Insurance and General Liability Insurance coverages will expire on July 19, 2008; and

WHEREAS, Southern Insurance Co., an admitted AM Best Rated A-VIII company, has submitted a quote for renewal of Automobile Insurance Coverage at an annual cost of \$41,214 for a one year term commencing July 19, 2008; and

WHEREAS, a quote has been received from ACE, the expiring carrier for renewal of General Liability Insurance coverage at an annual cost of \$80,740.80; and

WHEREAS, the aforementioned quotes were received through Arthur J. Gallagher Risk Management Services.

BE IT HEREBY RESOLVED, that the Southeast Louisiana Flood Protection Authority-East authorizes the procurement of Automobile Insurance coverage from Southern Insurance Co. at an annual cost of \$41,214, and General Liability Insurance coverage from ACE at an annual cost of \$80,740.80, through Arthur J. Gallagher Risk Management Services, and authorizes the LBBLD Executive Director to execute 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. Goins, Mr. Jackson, Mr. McKee,
Mr. Pineda and Mr. Wittie

NAYS: None

ABSENT: Mr. Losonsky

Mr. Doody advised the next regular monthly Board Meeting will be held on August 21, 2008, at the Lake Vista Community Center in New Orleans. A Special Hearing/Meeting will be held on August 27, 2008 in the Kenner Pavilion at 10:00 a.m.

There was no further business, therefore, the meeting was adjourned at 2:30 p.m.

SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - EAST

REGIONAL DIRECTOR'S REPORT

July 17, 2008

100 Year Level of Protection

Inner Harbor Navigation Canal Hurricane Storm Surge Barrier:

Shaw is progressing with the planning and design of the various components of the project. Many components have been submitted for 30% design review and comment.

The Independent External Review Panel has been selected. Members of the panel visited the project site and attended an orientation meeting with the USACE, Shaw, the State and SLFPAGE last month.

The State is going forward with plans to secure the right-of-way required for the project without the use of Commandeering. We will be working closely with the State to try to expedite the acquisition process. Current schedules call for start of construction in September 08.

USACE plans are to conduct a design verification load test of the floodwall during the construction process. An isolated section of the wall will be loaded with water up to the top of the wall.

The NEPA process is nearing completion for this project. Final confirmation of the structure alignment is dependent on the results of this process.

Elevation Map:

The USACE has published a map showing the 100 year level of protection elevations for the hurricane protection levee system in the metro New Orleans area. The elevations depicted are current as of February 7, 2008. It can be found at the following web address:

<http://www.mvn.usace.army.mil/hps/>

Submittals

Copies of the following major submittals are available for review in the SLFPAGE office:

- EJLD Reach 5 (Due 7/16/08)
- Fronting Protection for Bonnabel and Suburban Pump Stations (Due 7/14/08)
- OLD Draft EARs for LPV105 – LPV 111.
- LBBLD EAR for LPV145 – LPV 149.

Flood Fight

The Mississippi River has fallen below 12' at the Carrollton Gage. It is predicted to fall below 11' this weekend.

Internal Affairs

We are in the process of writing a Scope of Work for review of the 17th St. Canal Floodwall breach area. A meeting with the USACE has been tentatively scheduled for the week of July 28, 2008 to view the data and analysis that the Corps can provide to us. The Scope of Work will be finalized after this meeting. Meanwhile, we intend to review the qualifications of potential consultants and develop a short list of individuals to interview.

The Contract for the Strategic Plan/Organizational Study is ready for execution. We had a phone conference with SSA yesterday to assign project managers, points of contact and procedures for progression of the work.

The RFP for Accounting Computer Software has been posted on our web site and has been advertised.

On July 14 we met with Garret Graves and local stakeholders to discuss cost share requirements for all upcoming Hurricane Protection and SELA work. Current Congressional Authorizations do not include payment of our share over a long (30 year) period of time. Various alternatives were discussed to deal with this issue.

We have been meeting with the State and the USACE to develop language which can be used for the Project Partnering Agreement for the LPV Project, portions of which will require cost share. The USACE would like to have a document ready for signature next month. Before the PPA can be executed, the Non-federal Sponsor must certify availability of funds necessary to meet the cost share obligations required by Congress and the President.

The Independent Auditors will soon begin the year end audit process for each District and the Authority.

Upcoming Events

- July 18 9:00 - 5:00 pm LVCC upstairs
NOGS (New Orleans Geol. Society) Symposium on Flood Protection Issues
- 3:00 pm PPA Negotiations Mtg, SLFPA-E Office
David Miller, Garrett Graves, Larry Marino (Oates & Hudson), Bob Turner, etc. Contact: Clarissa @ Miller's office (225) 274-4171
- July 21 11:00 am, Non-Federal Sponsors Status Update - Permanent Protection System for the Outfall Canals
Room 381 Corps Offices
- July 29 Corps Public Mtg IER 6 (Citrus Lakefront Levee, Orleans Par), 7 (NO East Levee, Maxent Canal to Michoud Slip, Orleans Par), and borrow, IHNC surge protection barrier
Loc: Church at New Orleans, 11700 Chef Menteur Hwy., New Orleans, LA
- July 30 10:00 - 12 noon Corps LACPR Stakeholders Mtg.
UNO, Lindy Boggs, 2nd Floor Multi-Purpose Room, 2000 Lakeshore Dr., NO
- 1:00 pm CPRA LaSalle Building (LaBelle Room)
617 North Third Street, Baton Rouge, LA 70802 (225) 342-3968
- July 31 1:00 - 4:00 pm -- CPRA Levee & Floodwall Standards Working Group, Inagural Mtg,
CORPS, Engr Conf Room 304 Contact: Jerome Zeringue [Jzee@GOV.STATE.LA.US]; Timothy M Ruppert, MVN [Timothy.M.Ruppert@usace.army.mil]
- Aug. 6 Corps Public Mtg IER 8 (Bayou Bienvenue & Bayou Dupre), 9 (Caernarvon Floodwall), 10 (Chalmette Loop Levee), 11 Tier 2 (IHNC) and borrow
Lynn Oaks School, 1 Lynn Oaks Dr., Braithwaite, LA
- Aug. 7 IHNC-02, Lake Borgne Barrier, WRDA IPR 10% review outbrief, Touchdown Room 1424, One Shell Square
Time TBA p/Angela DeSoto Duncan 862-2733 or 595-2543 BB 388-0993