

**MINUTES OF THE
SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY – EAST
BOARD MEETING AND PUBLIC HEARING
THURSDAY, NOVEMBER 13, 2008**

The regular monthly Board Meeting and Public Hearing of the Southeast Louisiana Flood Protection Authority - East (Authority or SLFPA-E) was held on Thursday, November 13, 2008, in the Second Floor Hall, Lake Vista Community Center, 6500 Spanish Fort Boulevard, New Orleans, 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 9:52 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
Abril B. Sutherland, Vice President
George Losonsky, PH.D., Treasurer
Stephen Estopinal
Stradford A. Goins
Ricardo S. Pineda
Louis E. Wittie

Absent:

John M. Barry, Secretary
David P. Barnes, Jr.
Thomas L. Jackson
Sara Lee St. Vincent

OPENING COMMENTS:

Mr. Doody welcomed the representatives present from the U.S. Army Corps of Engineers (USACE). Ms. Karen Durham-Aguilera, Director of Task Force Hope, introduced Col. Michael McCormick who has replaced Col. Jeffrey Bedey as Commander of the Hurricane Protection Office.

Mr. Doody introduced newly appointed Commission Stephen Estopinal. The oath of office was administered to Mr. Estopinal at the Special Board Meeting held on November 6, 2008. Mr. Estopinal stated that he relocated from St. Bernard Parish after Hurricane Katrina and is currently residing in Ascension Parish. He is a Civil Engineer with approximately 40 years' experience and at this time is working for CSRS Engineers.

Mr. Doody reported that a Special Board Meeting was held on November 6th for the purpose of acquiring the final piece of property required to begin the closure of the Mississippi River-Gulf Outlet (MRGO).

Mr. Doody spoke about some of the causes of coastline and wetlands damage, such as, the MRGO which was built for navigation purposes, the pushing of sediments off of the continental shelf to assure the river's navigability, the dredging of oil and gas pipelines in marshes, salt water intrusion and the rise in sea level. Losses due to commerce that benefits the nation, as well as the local area, suggest that help should be received from the Federal government. Scientists from around the world have assisted with studies that are included in the State's Master Plan and the USACE's LaCPR Plan. The daily loss of wetlands places the region in greater danger from hurricanes. The Authority was given broad power and authority to provide the region with flood protection and its vision is to build the highest level of flood protection possible for the region. Flood and Non-Flood activities were separated in order for the Authority to be single minded in its flood protection mission. He asked whether the region can wait for the completion of Federal studies and arrival of Federal funding, and for the State to begin receiving offshore revenues. He stressed that action is needed now. Mr. Doody stated that with the support of the Board he hoped to identify projects that the Authority could in short order put into action. He requested the Chair of the Special Issues Committee, Mr. Goins, to work with Mr. Jackson and Mr. Estopinal, along with any other willing Board member, to review the State's Master Plan and the USACE's LaCPR Plan to identify specific projects that the Authority could tackle on its own. Although the Authority is financially limited, with the demonstration of real progress it is hoped that Federal and State financial support will be gained.

Mr. Doody added that the Authority is restricted to building projects where taxes are collected, which restricts its ability to build projects where needed. He stated he strongly believes that the region supports rebuilding and restoring the marshes and wetlands and is willing to pay to help jump start the process. Therefore, he will request the Board to seek an attorney's opinion on the Authority's ability to raise a regional tax for the purpose of rebuilding and restoring wetlands under its authority. He stated that he firmly believed that with the new administration in Washington under President Obama additional support will be gained for local efforts. These local rebuilding efforts will pay dividends for the region, the State and the nation.

Mr. Pineda expressed his support for a multiple small project approach, along with some big projects, if funding can be obtained, which over time would make a difference.

Mr. Estopinal commented on the need for coastal restoration and for the construction of infrastructure within protected areas capable of surviving an event, in addition to levee protection.

RESOLUTION #11-13-08-01 – ADOPTION OF AGENA

The agenda was amended to include Item XII.3.a (Executive Session) to discuss the acquisition of the property required for the MRGO closure project for which the Board took action at its Special Board Meeting on November 6th, and Item XIV.A.5. to advertise a Request for Qualifications for professional engineering services related to coastal management.

On the motion of Mr. Wittie,

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

“A resolution to adopt the agenda, as amended, for the Public Hearing and Board Meeting of November 13, 2008.”

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

YEAS: Mr. Estopinal, Mr. Goins, Mr. Losonsky, Mr. Pineda and Mr. Wittie

NAYS: None

ABSENT: Mr. Barnes, Mr. Barry and Mr. Jackson

RESOLUTION #11-13-08-02 – APPROVAL OF MINUTES

On the motion of Mr. Wittie,

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

BE IT HEREBY RESOLVED that Southeast Louisiana Flood Protection Authority-East hereby approves the minutes of the Board Meeting held on October 16, 2008 and the minutes of Special Board Meeting held on November 6, 2008.

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

YEAS: Mr. Estopinal, Mr. Goins, Mr. Losonsky, Mr. Pineda and Mr. Wittie

NAYS: None

ABSENT: Mr. Barnes, Mr. Barry and Mr. Jackson

ORLEANS LEVEE DISTRICT PUBLIC HEARING:

Public Hearing concerning the establishing of millage rates for the three (3) taxes collected by the Orleans Levee District at rates in excess of the rates resulting from the 2007 downward adjustment to the millage rates required by Article 7 Sec. 23(B) of the Constitution, in excess of the millage rates levied in 2008 but not more than the millage rates levied in year 2007 without further voter approval and other matters in connection therewith.

Mr. James Bollinger, Orleans Levee District (O.L.D.) Comptroller, explained that since its formation the Authority has been examining the levee districts' expenses to assure costs are justifiable and reasonable. The O.L.D.'s General Fund operating expenses were approximately \$16 million in 2005 and \$10 million in 2008. He then discussed reductions in revenues over the same period. Prior to the reorganization of the O.L.D. the General Fund received gaming and rental revenues; however, those enterprise fund revenues were lost as the management of the non-flood assets were moved to a separate organization. In addition, in past years approximately \$4 million per year had been transferred to the General Fund from the Special Levee Improvement Projects (SLIP) Fund to help pay maintenance costs. Finally, SLFPA-E has assumed a \$3.3 million annual debt service burden. He pointed out that the General Tax is used as security for the bond debt service previously paid for from South Shore Harbor gaming operations. He concluded that the General Fund has not been adequately funded by taxes since the Bohemia revenues were substantially reduced in the 1980's.

Mr. Bollinger recommended that several steps be taken to make the future revenue stream consistent with expenses and allow the General Fund to be self-supportive without subsidies from the SLIP Fund.

Mr. Bollinger advised that the 2008 General Fund net income or surplus was \$2.6 (un-audited). Eliminating the non-recurring expenses, such as the spin off of the Algiers Levee District, the surplus for 2008 is \$5.2 (un-audited). One reason for this surplus is that the State of Louisiana has been paying the O.L.D.'s debt service for three years (2006, 2007 and 2008). The State is attempting through Go Zone Bonds to assure its subdivisions meet their debt payments. However, simultaneously the O.L.D.'s debt is going up as it is borrowing the money to pay its debt service. The O.L.D. will recommence payment of \$3.2 million per year for the debt service secured by the General Tax in November, 2009. Mr. Bollinger recommended that the O.L.D. eliminate its dependency on mineral revenues, which is a risk from a financial management standpoint. Over \$2 million of the 2008 General Fund surplus was from mineral revenues received after the close of the fiscal year because those revenues were being held by the operator as the plaintiffs and the O.L.D. disputed the ownership of the lands from which the revenues were derived.

Mr. Bollinger explained that the SLIP Tax, which expires in 2015, was designed to finance the Lake Pontchartrain and Vicinity Hurricane Plan protection system and pays the debt service on its own series of bonds (SLIP Bonds). There was no transfer in 2008 from the SLIP Fund to support the maintenance of the General Fund; however, if the General Fund is not made self-sufficient, a contribution from the SLIP Fund will be required to support maintenance costs in the General Fund.

Mr. Bollinger recommended that the Board roll forward the ad valorem tax millage rates for the General and Maintenance Taxes in order to generate additional tax revenue to replace revenues that are highly suspect and not permanent, and to look toward a time when the General Fund will need to take care of additional maintenance costs. Over the past twenty years the General Fund has paid for the existing system's maintenance costs (i.e., grass cutting, inspections, etc.), but has not contributed towards bricks and mortar improvements. He recommended sufficiently funding the General Fund so that it could take care of at least \$1.5 million annually in bricks and mortar projects on the existing system apart from the 100 year protection program.

Rolling forward the General Tax and Maintenance Tax millage rates would help fund the following costs totaling approximately \$8.3 million:

- Debt service (General Fund \$3.2 million).
- Eliminate dependency on mineral revenue (\$1.7 million).
- Annual maintenance for the existing system out of the General Fund, in lieu of the SLIP Fund (\$1.5 million).
- Hiring additional personnel (12-13 field employees, an engineer, an accountant, a HR employee and two IT employees) (approximately \$800,000). The O.L.D. lost approximately 40% of its work force after Hurricane Katrina; this is only a partial replacement of that loss.
- Increase in healthcare costs (approximately \$300,000).

- Retiree benefits of \$850,000. This is a new obligation which must be recognized by governments and an annual contribution, which may vary each year, must be made to fund a \$20 million unfunded liability.

Mr. Bollinger explained that the General and Maintenance Funds collected a total of 4.7 mills in 2008. He recommended rolling forward the General and Maintenance Fund taxes in order to collect a total of 6.21 mills, which is the maximum level allowed (2007 millage rates) for those taxes. The 1.51 mill increase would cost an owner of a \$200,000 home, subject to homestead exemption, an additional \$18.88 per year (from approximately \$120.00 billed in 2008 to approximately \$140.00 billed in 2009). He recommended that the SLIP Fund tax be maintained at the 2008 rate and not be rolled forward to the maximum allowable rate. The 1.51 millage rate increase would generate additional revenues of \$3.2 million.

Mr. Losonsky pointed out that the roll forward of millage rates to the total recommended rate of 11.16 mills still represents a roll back from the total 2007 millage rate of 12.76 mills. He advised that the information presented by Mr. Bollinger was essentially the same information discussed by the Finance Committee. He noted that the Committee had asked that the Executive Director assure that this budget covered the actual needs of the O.L.D. in terms of staff.

Mr. Stevan Spencer, O.L.D. Executive Director, advised that the recommendation presented was the same recommendation presented at the Finance Committee meeting and addressed present personnel and equipment needs.

Mr. Bollinger stressed that in 2009 the O.L.D. would not only recommence the payment of its debt service, but it would also have a \$26 million higher note that must be repaid to the State for its three year payment of the O.L.D.'s debt service. The \$5.2 million current year surplus, less anticipated costs for 2009 of \$3.2 million of debt service, \$1.7 million of mineral revenues, \$800,000 for additional personnel, \$300,000 for the increase in insurance costs, \$850,000 for retirement benefits and \$1.5 million for annual maintenance, leaves a deficit of approximately \$3.2 million. He stated that this deficit would be addressed by the roll forward.

Mr. Doody commented that the costs for operations and maintenance of future projects are not yet known. The \$1.5 million for annual maintenance would only cover the increase in costs known today.

The Public Hearing Notice advertised in the Times Picayune on June 27 and July 2, 2008 was read into the record. Affidavits of the publication of the Public Hearing Notice were presented for the record.

Mr. Doody asked whether there was any member of the public who wished to comment. There was no comment from the public.

A motion was offered by Mr. Goins, seconded by Mr. Wittie and unanimously adopted, to close the public hearing.

A motion was offered by Mr. Wittie, seconded by Mr. Goins and unanimously adopted by roll call vote, to amend the agenda to take Agenda Items XIV.C.1 and XIV.C.2 as the next order of business.

Mr. Doody read the resolution in its entirety into the record for the Downward Adjustment of Millage Rates to Take Into Account 2007 Reassessment. He advised that this resolution would roll back millage rates as required by law. A roll call vote was conducted and Resolution No. 11-13-08-03 was adopted with Mr. Doody, Mr. Estopinal, Mr. Goins, Mr. Losonsky, Mr. Pineda and Mr. Witt voting yea.

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

RESOLUTION #11-13-08-03 -- DOWNWARD ADJUSTMENT OF MILLAGE RATES TO TAKE INTO ACCOUNT 2007 REASSESSMENT

WHEREAS, Article 7, Section 23 (B) of the Louisiana Constitution of 1974, as amended (the "Constitution") and La. R. S. 47: 1705 B. (2) (a) require taxing authorities to adjust the millage rates upward or downward so that the taxing authorities receive not more nor less ad valorem taxes in the year following reassessment than in the year preceding the last reassessment of property, (for these purposes year 2007); and

WHEREAS, the reassessment of property in Orleans Parish made during 2007 as completed for use for tax year 2008 resulted in more assessed valuation than that assessed in 2007, which required a reduction in millage rates for 2008; and

WHEREAS, The Southeast Louisiana Flood Protection Authority-East (the "Authority"), acting as the governing authority of the Orleans Levee District (the "District") pursuant to the provisions of Resolution No. 11-08-07-03 adjusted downward each of the millage rates for the three (3) ad valorem taxes levied by the District as required by Article 7, Section 23 (B) of the Constitution and La. R. S. 47: 1705 B. (2) (a) from the rates collected in 2007 of:

- 1) for the tax authorized by Article 6 Section 39 (A) of the Constitution (the "General Tax"), at the rate of 5.46 Mills;
- 2) for the Special Levee Improvement Tax authorized by the Special Election of November 19, 1983 (the "SLIP Tax") at the rate of 6.55 Mills; and
- 3) for the Maintenance tax authorized by the Special Election of November 19, 1983 and imposed by the District's Resolution No. 1-081899 (the "Maintenance Tax") at the rate of .75 Mills.

to the recalculated rates provided for and ratified by the District's Resolution 12-20-07-05 of:

1. 3.97 mills for the District's General Tax;
2. 4.76 mills for the District's SLIP Tax; and
3. .55 mills for the District's Maintenance Tax.

Totalling 9.28 mills; and

(Collectively the "Adjusted Rates")

WHEREAS, the Authority intends to hold a public hearing in accordance with the provisions of Article 7 Section 23 (C) of the Constitution and the provisions of La. R. S. 47:1705 for the purpose of getting public input on whether the Authority should or should not increase the millage rates above those levied in year 2008 which were above the Adjusted Rates and therefor it desires to adopt a separate resolution adjusting downward the millage rates actually levied in year 2007 (the Adjusted Rates) as a procedural step in the process of increasing the millage rates to be levied in year 2009 above both the millage rates levied in year 2008 and the Adjusted Rates.

NOW THEREFORE BE IT HEREBY RESOLVED BY THE SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY-EAST as the governing authority of the Orleans Levee District that:

SECTION 1. Downward Adjustment of 2007 Millages to Take Into Account the 2007 Reassessment. The Authority does hereby adjust downward each of the millage rates for the three (3) ad valorem taxes levied by the District as required by Article 7, Section 23 (B) of the Constitution and La. R. S. 47: 1705 B. (2) (a) from the rates collected in 2007, as shown in Column A below to the adjusted downward rates shown in Column C below:

A Name of Tax	B Millage Rate Actually Levied in Year 2007	C Reduced Adjusted Millage Rate Established After Taking into Account Reassessment
General Tax	5.46	3.97
SLIP Tax	6.55	4.76
Maintenance Tax	.75	.55

Attached hereto as Exhibit "A" are the adjustment schedules calculating the reduced adjusted millage rates established after reassessment as set forth in column C of the above chart.

SECTION 2. Further Actions. The President of the Authority or Director of Hurricane and Flood Protection of the District be and they are hereby authorized and empowered to execute any and all documents necessary to accomplish the above purposes.

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

YEAS: Mr. Doody, Mr. Estopinal, Mr. Goins, Mr. Losonsky, Mr. Pineda and Mr. Wittie

NAYS: None

ABSENT: Mr. Barnes, Mr. Barry and Mr. Jackson

Mr. Doody read the resolution in its entirety into the record to Roll Up 2009 Millage Rates. The question was called on the resolution, which was offered by Mr. Wittie and seconded by Mr. Goins, to roll up and establish the O.L.D.'s 2009 millage rates as follows: General Tax 5.46 mills, SLIP Tax 4.95 mills and Maintenance Tax .75 mills, totaling 11.16 mills. A roll call vote was conducted and the resolution failed with Mr.

Doody, Mr. Goins, Mr. Losonsky, Mr. Pineda and Mr. Wittie voting yea and Mr. Estopinal voting nay.

Mr. Estopinal commented on his reluctance to raise millage rates being new on the Board and asked for further information.

Mr. Godfrey explained that Art. 6, Sec. 39(A) of 1974 Louisiana Constitution puts in place the General Tax for every levee district. Therefore, the vote that put the General Tax in place was the adoption of the Constitution. In addition, Art. 6, Sec. 39(C) of the Constitution allows the levy of additional taxes with a vote of the people. The people of Orleans Parish voted in 1972 in favor of the SLIP Tax by a percentage in excess of 60 percent of those voting in the election. Voters in Orleans Parish again in 1983 voted in favor of the SLIP Tax by a vote of more than 60 percent. These taxes were bonded with the bonds being dependent on the avails of this tax. The 1974 Constitution also allows the opportunity to roll millage rates forward every four years with the reassessment of property values; however, the O.L.D. has not rolled the millage rates forward at every opportunity.

Mr. Doody pointed out that the Board had the opportunity for a full roll forward of the millage rates last year; however, after studying the O.L.D.'s finances the rates were only partially rolled forward based upon needs at that time. The Board has worked hard this year looking at the O.L.D.'s needs and has determined that the needs of the General Fund are in accordance with the recommendation.

The Board discussed the 2007 Orleans Parish reassessments. Mr. Godfrey explained that the assessment process allowed two stages of appeal. He further explained that Orleans Parish collects taxes in advance of the tax year. Tax recipient bodies in Orleans Parish levy taxes and certify their millage rates to the New Orleans City Council in the month of November for the next tax year. Tax bills must be sent out in December and taxes are due by February 1st.

Ms. Sutherland asked what would be the impact of not rolling millage rates forward.

Mr. Spencer explained that the O.L.D. currently maintains 104 miles of levees and floodwalls and over 200 floodgates. The proposed 100 year level of protection will produce bigger floodgates that will require more time and more people to close. He stated that the impact on current staff numbers could not be determined without further study.

Mr. Doody called for a brief recess at 11:15 a.m. The Board reconvened and the meeting called back to order at 11:30 a.m.

Mr. Estopinal offered a motion, which was seconded by Mr. Losonsky and unanimously adopted by roll call vote, to reconsider the resolution to Roll Up 2009 Millage Rates.

Mr. Losonsky offered a motion to amend the resolution to levy and fix the 2009 millage rates as follows: General Tax 5.25 mills, SLIP Tax 4.95 mills and Maintenance Tax .75

mills, with the total millage rate being 10.95 mills. The motion to amend the resolution was seconded by Mr. Estopinal and unanimously adopted.

The roll forward of the General and Maintenance Taxes is estimated to produce \$2.9 million of additional revenues. Mr. Doody commented that based on the numbers presented, the millage rates originally recommended would have presented a break even situation; therefore, costs will need to be cut with the amended rates. Mr. Robert Turner, SLFPA-E Regional Director, advised that the staff would have to attempt to minimize the impact. He added that the O.L.D. may have to reduce the number of additional people it anticipated hiring by 30 to 40 percent.

The Board discussed the impact of not rolling forward millage rates as originally recommended. Mr. Doody pointed out that the Board could reconsider a full roll forward of millage rates next year. Mr. Bollinger recommended that the Board accept the compromise, which the O.L.D. would have to sustain for a year, and that the Board reconsider the situation next year. Mr. Turner pointed out that the levee districts would have a better understanding of future operations and maintenance requirements and costs next year.

Mr. Losonsky pointed out that the Board's responsibility is to oversee and provide flood protection and it has been given the means and tools to do so. The ability to roll the ad valorem tax millage rates forward is a tool for providing the necessary resources. The Board has worked with the levee districts to assess needs and the proposed millage rate roll forward resulted from the use of best judgment. He expressed concern that the Board was not using the tools provided to do the job that the State asked it to do.

Mr. Pineda commented that he considered the proposed roll forward of millage rates required in order for the basic post-Katrina operations and maintenance to be done. The USACE and other Federal agencies involved with flood and infrastructure management put out the word pre-Katrina that organizations were not maintaining properties to the appropriate levels. The Authority should strive to perform the best operations and maintenance possible.

A roll call vote was conducted on the amended motion, which was unanimously adopted with Mr. Doody, Mr. Estopinal, Mr. Goins, Mr. Losonsky, Mr. Pineda and Mr. Wittie voting yea.

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

RESOLUTION #11-13-08-04 - ROLL UP 2009 MILLAGE RATES

WHEREAS, the property subject to ad valorem taxation in Orleans Parish was revalued and reassessed by the tax assessors during the year 2007 for use in adjusting and fixing millages for tax year 2008; and

WHEREAS, Article 7, Section 23 (B) of the Louisiana Constitution of 1974, as amended (the "Constitution") and La. R. S. 47: 1705 B. (2) (a) require taxing

authorities to adjust the millage rates upward or downward so that the taxing authorities receive not more nor less ad valorem taxes in the year following reassessment than in the year preceding the last reassessment of property, (for these purposes year 2007); and

WHEREAS, the reassessment of property in Orleans Parish as completed for use for tax year 2008 resulted in more assessed valuation than that assessed in 2007, which required a reduction in millage rates for 2008; and

WHEREAS, The Southeast Louisiana Flood Protection Authority-East (the "Authority"), acting as the governing authority of the Orleans Levee District (the "District") pursuant to the provisions of Resolution No. 11-08-07-03 adjusted downward each of the millage rates for the three (3) ad valorem taxes levied by the District as required by Article 7, Section 23 (B) of the Constitution and La. R. S. 47: 1705 B. (2) (a) from the rates collected in 2007 of :

- 1) for the tax authorized by Article 6 Section 39 (A) of the Constitution (the "General Tax"), at the rate of 5.46 Mills;
- 2) for the Special Levee Improvement Tax authorized by the Special Election of November 19, 1983 (the "SLIP Tax") at the rate of 6.55 Mills; and
- 3) for the Maintenance tax authorized by the Special Election of November 19, 1983 and imposed by the District's Resolution No. 1-081899 (the "Maintenance Tax") at the rate of .75 Mills.

to the recalculated rates provided for and ratified by Resolution 12-20-07-05 of:

1. 3.97 mills for the District's General Tax;
2. 4.76 mills for the District's SLIP Tax; and
3. .55 mills for the District's Maintenance Tax.

Totaling 9.28 mills; and

(collectively the "Adjusted Rates").

WHEREAS, the Authority has this date by separate resolution adopted this date reestablished and ratified the Adjusted Rates; and

WHEREAS, as authorized by the provisions Article 7, Section 23 (C) of the Constitution and La. R. S. 47: 1705 (b) (2)(b) allowing the collection of a larger amount of ad valorem taxes by a taxing entity for years after reassessment by setting millages not to exceed the millage rate assessed in the last year prior to the reassessment (in this case year 2007), notwithstanding the provisions of Article 7, Section 23 (B), upon two-thirds vote of the governing authority of a taxing entity after a public hearing held pursuant to the open meetings law, the millage rates for the District's taxes were levied for year 2008 pursuant to the provisions of Resolution No. 11-08-07-04 at the recalculated millage rates ratified by Resolution No. 12-20-07-05 of:

1. 4.13 mills for the District's General Tax;
2. 4.95 mills for the District's SLIP Tax; and
3. .57 mills for the District's Maintenance Tax.

Totaling 9.65 mills; and

WHEREAS, the Authority caused advertisements to be run in the Times Picayune on June 27 and July 2, 2008 giving notice of the purpose, time and place for a public hearing to be held at 9:30 a. m. on Thursday, November 13, 2008 at

Lake Vista Community Center, Second Floor Hall, 6500 Spanish Fort Boulevard, New Orleans Louisiana to consider whether to adjust the millages upward from the millage rates levied for year 2008 to rates not in excess of the rates levied in year 2007 (the “Public Hearing”); and

WHEREAS, the Authority held and conducted the Public Hearing, at which no one appeared to speak in favor or against the Authority levying for year 2009 millage rates for the District’s taxes in excess of those levied in year 2008 but not greater than the millage rates levied in year 2007.

NOW THEREFORE BE IT HEREBY RESOLVED BY THE SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY-EAST as the governing authority of the Orleans Levee District that:

SECTION 1. Ratification of 2007 Adjustment in Millages After Reassessment. The Authority does hereby ratify the downward adjustment of each of the millage rates for the three (3) ad valorem taxes levied by the District as required by Article 7, Section 23 (B) of the Constitution and La. R. S. 47: 1705 B. (2) (a) pursuant to the District’s Resolution 11-08-07-03 and Resolution 12-20-07-05 from the rates collected in 2007, as shown below to the adjusted rates shown below:

Name of Tax	Millage Rate Levied in Year 2007	Reduced Adjusted Millage Rate Established After Reassessment
General Tax	5.46	3.97
SLIP Tax	6.55	4.76
Maintenance Tax	.75	.55

as such rates were reestablished and ratified in the District’s separate Resolution No. 11-13-08-03 adopted this date.

SECTION 2. Establishment 2009 Millage Rates. As allowed by Section 23 (C) of Article 7 of the Louisiana Constitution of 1974 and La. R. S. 47: 1705, the millage rates for the taxes of the District for year 2009 be and they are hereby fixed and levied without the necessity of further voter approval at the following rates:

General Tax	5.25 Mills
SLIP Tax	4.95 Mills
Maintenance Tax	.75 Mills
Total	10.95 Mills

which rates do not exceed the 2007 millage rates respectively of 5.46 mills for the District’s General Tax, 6.55 mills for the District’s Special Levee Improvement Tax, .75 mills for the District’s Maintenance Tax.

SECTION 3. Notice Of Possible Millage Increases in Future Years. Although the Authority did not levy the General Tax and SLIP Tax at the full increased millage rates permitted by Article 7 Section 23 (C) of the Constitution and La. R. S. 47: 1705 for year 2009, the Authority declares that it may well be necessary to increase the millage rates for the General Tax and SLIP Tax for year

2010 to the same millage rates levied in 2007 after following the required procedures.

SECTION 4. Statement of Total Millage to be Levied. A total of 10.95 mills shall be levied in 2009.

SECTION 5. Certification of Levy. The Authority acting for the District hereby certifies the annual levy of the General Tax, the Slip Tax and the Maintenance Tax to the Council of the City of New Orleans for the purpose of causing the three taxes to be entered on the tax rolls of said City and collected by its Finance Department in the manner and under the conditions and with interest and penalties prescribed by law for City taxes; and such monies, the ad valorem taxes including interest and penalties connected therewith, thus collected shall be paid to this Board as provided by law for the tax year 2009.

SECTION 6. Further Actions. The President of the Authority or Director of Hurricane and Flood Protection of the District be and they are hereby authorized and empowered to execute any and all documents necessary to accomplish the above purposes.

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

YEAS: Mr. Doody, Mr. Estopinal, Mr. Goins, Mr. Losonsky, Mr. Pineda and Mr. Wittie

NAYS: None

ABSENT: Mr. Barnes, Mr. Barry and Mr. Jackson

PRESENTATIONS:

1. U.S. Army Corps of Engineers – presentation on key features and project status throughout the hurricane protection system under SLFPA-E’s jurisdiction.

The Board viewed the USACE DVD entitled “Hurricane and Storm Damage Risk Reduction System Overview” (October 1, 2008). Ms. Karen Durham-Aguilera, Task Force Hope Director, explained that this DVD is a public product that has been shown to academia, business groups and elected officials, and will be used on public television.

Ms. Durham-Aguilera then proceeded with a presentation on the Hurricane and Storm Risk Reduction System. She explained that the overall system covers five parishes and includes 350 miles of levees and floodwalls and 73 pumping stations most of which are owned and operated by the parishes. The USACE’s mission is to strengthen and improve the system and provide 100 year level of protection capable of withstanding the effects of a storm having a 1 percent chance of occurring each year. Full funding has been provided totaling \$14.3 billion, including the non-federal sponsor’s share. The non-federal sponsor, which is the State of Louisiana, will have thirty years to re-pay the local cost share of \$1.5 billion, which includes SELA.

In addition, the USACE is working on the LaCPR. The LaCPR addresses long term multiple lines of defense, both structural and non-structural, for eco system restoration. The technical report is expected to be completed by the end of this year; however, it will probably be transmitted to Congress in mid-summer to late fall after having made its way through the Administration.

Due to the urgent need for the Hurricane and Storm Damage Risk Reduction System, which has become a priority for the entire region, the organization for its delivery is unlike that for any other USACE project. Ms. Durham-Aguilera explained that she is a part of the Mississippi Valley Division; however, she is located in New Orleans, along with two Commanders, Col. Lee and Col. McCormack, who are responsible for execution of the plan. The USACE realized that the attention and resources being put into the project had to be increased in order to meet the 2011 schedule. An organization chart was shown of the Mississippi Valley Division's Districts, each of which has a formal role in delivering this hurricane protection system. In addition, assistance of other individuals and Districts from across the nation, along with other entities, is being utilized.

The Current System Programmatic Schedule was shown. In this master plan schedule are thousands of activities for the individual projects. The milestones in the schedule are based on the start and end of hurricane seasons. Project Partnering Agreements for the Lake Pontchartrain and Vicinity and West Bank and Vicinity plans have been signed and the USACE continues to strive for the June, 2011 target date. The Memorandum of Agreement with the State for the Mississippi River-Gulf Outlet (MRGO) closure project has also been signed. The draft over arching Project Partnering Agreement for SELA was sent to the State this week.

Col. McCormack reported on the Inner Harbor Navigation Canal (IHNC) Surge Reduction Project, which is a design-build contract due to the urgent need for this protection. The project is into about 30 percent of its overall design. Approximately two miles of floodwalls and two gates in the Gulf Intracoastal Waterway (GIWW) are included in this project. Modeling has been on-going since April, 2007. Conceptual depictions of the surge barriers at Lake Borgne were shown. The sector gate and the barge gate will have 150 ft. openings. Pile driving for the barrier wall will commence in late January to early February. The USACE would like to achieve a height of approximately 14 feet as an advance measure by the height of next hurricane season. The barrier wall when completed will achieve approximately 26-ft. height. The USACE is attempting to incorporate environmental sustainability into the project. About 205 acres of beneficial use disposal area is included within the 700 acre disposal area. The linkage between the gates in the system was explained. Col. McCormack advised that the reason the USACE is not moving as quickly on the Seabrook Gate is because what is done at Lake Borgne in terms of design will impact the design of the Seabrook Gate.

Ms. Durham-Aguilera provided further information on the project. The sector gate will remain open unless a hurricane approaches. Operational scenarios for the GIWW gates, as well as the Seabrook Gate, will be developed in the next several months. The modeling performed for the closure at Lake Borgne informs the modeling for Seabrook. She further explained that the MRGO was de-authorized for navigation early this year and the method of closure is a rock dike. A Memorandum of Agreement (MOA) was required because the State is responsible for operations and maintenance and for working with the Authority on real estate requirements. After the MOA was executed, a contract was awarded on November 5th for construction of the rock dike closure. Therefore, the design of the IHNC project gates assumes the closure of the MRGO.

Ms. Durham-Aguilera discussed the transition of the IHNC I-wall built in the 1960's and the T-wall. Armoring and an apron were added and the amount of stick up of the wall was reduced after Hurricane Katrina. Water had risen to the top of the wall during Hurricane Gustav; however, no stability problems were noted with the I-wall/T-wall transition and the wall performed as designed. Hesco baskets had been added in July to the wall in Gentilly Woods as a precaution. The USACE plans to have a more permanent type of increased stability measure in place next year in lieu of the Hesco baskets.

Col. McCormack advised that the USACE is close to a final decision on about 22 miles of T-wall that will be placed on top of levees in St. Bernard. Gate locations are still being finalized.

Ms. Durham-Aguilera explained that the concrete structures can be built for 50 years' expected conditions. However, earthen levees will have to be actively inspected for subsidence and periodic lifts added in order to maintain the design configuration.

Ms. Durham Aguilera advised that the Water Resources Development Act (WRDA) passed last year formalized and added to the peer review that was being done by the USACE. There is very rigorous and prescriptive external peer review, utilizing the Army Research Group, Battel, and protocols of the National Academies of Science.

Ms. Durham Aguilera stated that the USACE recently submitted a request to the CPRA, with a copy to the Authority, for a blanket right-of-entry on all existing rights-of-way, which is expected to speed up site work. New real estate acquisitions would be handled separately.

Some large contracts (projects over \$100 million) coming up in the next calendar year include Paris Road to the Lakefront, South Point to GIWW, CSX Railroad to Michoud Canal, Bayou Bienvenue to Bayou Dupre, Bayou Dupre to Highway 46, Verrett to Caernarvon (next phase) and the West Return Floodwall.

Evaluation and the NEPA process are on-going on the 17 Street, Orleans and London Avenue outfall canal permanent pumps. The draft environmental report for public comment is scheduled to be issued in December. An industry day will be conducted to obtain ideas on the best innovative solutions. A Project Partnership Agreement will be required with the State. The pump option cost report that was requested by Congress is pending.

The decision to construct T-walls in lieu raising levees in St. Bernard Parish will decrease the amount of borrow that will be needed for the system. The amount of borrow needed for the system has been decreased from 100 million cubic yards to 76 million. Three methods will be considered for obtaining the material; i.e., Government furnished, contractor furnished and supply contract.

The USACE plans to do the armoring when the system is completed and the earthen levees are at their 2011 condition in order to take a holistic approach. However,

armoring has been done or is on-going at transitions and places considered vulnerable. An Armoring Manual will be publicly published on the design guidelines.

The public meetings conducted by the USACE have been very extensive and the upcoming public meetings were announced.

Ms. Durham-Aguilera concluded by saying that we can buy down risks, but risks can never be eliminated. The structural solution can only go so far and other things must be involved in buying down risks, such as insurance, elevating homes and businesses, building set back levees, eco system restoration, etc. She stressed that evacuation will remain a part of risk reduction even after 100 year protection is completed.

A motion was offered by Mr. Goins, seconded by Mr. Wittie and unanimously adopted, for the Board to go into Executive Session at 12:46 p.m. to consider the items listed on the agenda.

A motion was offered by Mr. Goins, seconded by Ms. Sutherland and unanimously adopted, for the Board to reconvene in regular session at 2:50 p.m.

COMMITTEE REPORTS:

Finance Committee: Mr. Losonsky reported that the Committee met on October 30th and discussed the O.L.D.'s ad valorem tax millage rates, renewal of the O.L.D.'s health insurance coverage and approval of authority for contracts under \$50,000.

Operations Committee: The Committee did not meet in November. Mr. Wittie advised that he and Mr. Doody visited the Bonnabel Pump Station safe house for ideas on safe housing. The O.L.D. and LBBLD are preparing Requests for Qualifications for engineering services for safe house designs and the EJLD is working on site locations.

Legal Committee: Ms. Sutherland advised that the Committee met on October 30th and approved legal invoices for the Authority and levee districts and discussed the status of the Board's list of legal service providers.

Special Issues Committee: The Committee did not meet in November. Mr. Goins advised that a meeting will be held soon in order to attempt to determine wetlands projects in the USACE and State Plans with which the Authority can become involved.

REPORT BY SLFPA-E REGIONAL DIRECTOR:

Mr. Robert Turner, Regional Director, reviewed the Report (copy appended to minutes). Additional upcoming events include the final inspection on November 20th of LVP 142 (IHNC to Bayou Bienvenue Control structure) and a meeting on November 14th concerning the Maxent Levee.

OLD BUSINESS:

UPDATE ON THE STATUS OF SLFPA-E STRATEGIC PLAN.

Dr. Christel Slaughter, SSA Consultants, distributed the second draft of the Strategic Plan. Feedback had been received last month from the Board on the first draft of the plan and she explained that some areas needed to be reconciled because differing views were presented. SSA is beginning to work with the SLFPA-E Regional Director and the Executive Directors of the levee districts on drafting goals and business plans; however, a clear strategy is needed in order to proceed.

Dr. Slaughter advised that the purpose of a "Vision" is to determine what the Authority would like to see achieved in about twenty years. At the last Board meeting a comment was offered on a vision of protection from a 1,000 year flood event. She explained that there is a vast difference between working towards achieving a vision of 100 year protection and 1,000 year protection in terms of resources, dollars, time and people.

Mr. Estopinal commented that data exists for building against a 100 year event, but there is just extrapolation for a 1,000 year event. Since it is not a linear progression, building against a 1,000 year event may not be significantly higher than building against a 100 year event. He spoke about combining strategies of (1) building to keep waters out and (2) dealing with waters that come in. He stressed the importance incorporating mitigation and minimizing damage to homes, property and infrastructure.

Ms. Sutherland pointed out that the Authority must confront its limitations and determine which limitations it will accept and which ones it will try to overcome or deconstruct.

Mr. Losonsky commented on the challenges that the Authority and levee districts must face just to achieve the 100 year protection goal. He noted that the Board has a very specific charge with limited resources and specific deadlines.

Mr. Turner pointed out that a vision statement should not focus on what can or cannot be done today, but on what the Authority would like to have happen in the region over the course of the next fifty years. The Authority would deal with the realization of available resources in developing its long term and short term goals.

Mr. Pineda commented on the USACE's LaCPR study and its goal of coming up with various alternative plans and eventually a final recommendation to provide the New Orleans metropolitan area with between a 400 and 1,000 year level of protection. The Authority is partnered with the USACE whose planning study will spin off a plan for potential authorization, appropriation and construction that will land somewhere between 400 year and 1,000 year protection based on best available mathematics. An earlier draft of the strategic plan envisioned protection against at least a 500 year flood event, which he stated seemed reasonable.

Mr. Doody noted that the Vision is for a regional flood risk management system, which would include levees, coastal restoration, interior drainage, code changes and insurance.

Mr. Will Williams, SSA Consultants, explained that the purpose of a strategic plan is to also provide guidance in what decisions not to make and to provide parameters to calculate decisions.

After further discussion, the consensus of the Board was that the Vision should be modified to state “at least a 500 year flood event”.

Dr. Slaughter advised that the Mission Statement serves as a filter for programmatic or operational decisions.

Mr. Pineda explained the terms “probability and associated risk” used in the Mission Statement. Probability deals with the chance of an event occurring and associated risk defines damages sustained, such as damages from flooding that occurs in an urban area compared to a wetland area. Reducing the probability relates to improving the flood protection system and reducing the associated risk relates to better floodplain management.

The Board discussed the education and advocacy role that could be played by the Authority in risk management.

Dr. Slaughter reviewed the Guiding Principles and comments were offered, as follows:

- Principle No. 1 - Mr. Losonsky suggested that the principle specify the Board and levee districts.
- Principle No. 2 - Mr. Losonsky asked that the principle be re-worked to make it more grammatically correct.
- Principle No. 5 - The Board concurred with the alternative language.
- Principle No. 6 - The Board concurred with the alternative language.
- Principle No. 8 - Mr. Pineda recommended the principle be modified to state, “We recognize the importance of coastal and wetland restoration as a significant component of flood protection”. Mr. Turner suggested that emergency management plans and floodplain management be included.

Dr. Slaughter discussed strategic questions dealing with issues such as the cost protection above the 100 year level, costs of operations and maintenance of future projects, political tasks for securing funding and other support, role definitions, priorities for resources, and paying costs of current operations on the Authority and district level.

Mr. Pineda advised that January, 2008, was the target date set for completion of the Strategic Plan and Organization Study. However, he anticipated a lively Board debate on the one and five year goals, which are currently in the compilation stage, and suggested that the target date may be need to be changed to February. Board members were encouraged to e-mail their goals to SSA Consultants and invited to participate in the bi-weekly conference calls on the project.

Dr. Slaughter explained that the Executive Directors will be requested to begin drafting some plans for their districts based upon some of the projected goals. She concluded

by saying that the one and five years goals and the initial findings of the Organizational Study would be presented to the Board at its December meeting.

NEW BUSINESS:

Mr. Goins offered a motion, seconded by Mr. Losonsky and unanimously adopted, to amend the agenda to add a resolution concerning the East Orleans Land Bridge. He explained this resolution is required in order to demonstrate to DOTD the Authority's commitment to this worthwhile project, which would protect a vital evacuation route.

RESOLUTION #11-13-08-05 – EAST ORLEANS LAND BRIDGE

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

WHEREAS, the East Orleans Land Bridge (the "Land Bridge") is identified by the Southeast Louisiana Flood Protection Authority-East (the "Authority") as an essential landform component of flood protection for the Lake Pontchartrain communities; and

WHEREAS, the preservation and enhancement of the storm surge attenuation capabilities of the Land Bridge are priorities for the Authority; and

WHEREAS, the Authority is aware of erosion of the northeast shoreline and marshes and the integrity of U.S. Hwy. 90 as an evacuation route is an essential component of public safety in the face of disaster threats; and

WHEREAS, the northeast shoreline of the East Orleans Land Bridge from the mouth of Bayou Delesaire to Hospital Wall provides protection essential to the integrity of U.S. Hwy. 90; and

WHEREAS, the Authority is concerned that the deterioration of shoreline and marsh areas along the north east side of the East Orleans Land Bridge is threatening to a critical evacuation route; and

WHEREAS, during public session on March 20, 2008, the Authority resolved to submit a proposal, in conjunction with the Lake Catherine Civic Association, Inc., to the Louisiana Department of Transportation and Development (DOTD) for the beneficial use of the rubble to be produced by the demolition of the I-10 Twin Span Bridges for use to construct a two to three mile long jetty to protect the northeast shoreline of the Land Bridge; and

WHEREAS, the Authority desires to continue pursuing the construction of said jetty; and

WHEREAS, it is the Authority's understanding that the Twin Span rubble will be delivered to the proposed jetty site at no cost to the Authority; and

WHEREAS, DOTD requires that the Authority submit a more formal package of conceptual plans and specifications and to confirm that it will hold the State and Federal governments harmless for certain liabilities.

BE IT HEREBY RESOLVED that the Southeast Louisiana Flood Protection Authority-East shall collaborate with DOTD, the Coastal Protection and Restoration Authority and other Agencies to expeditiously present sufficient plans, specifications and assurances that may be required for the Authority to qualify for the allocation of the aforementioned Twin Span materials.

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

Progress report from Assistant Attorney General on the acquisition of property for the IHNC Surge Reduction Project.

Ms. Irys Allgood, Assistant Attorney General, reported that the acquisition of properties for the IHNC project began several months ago and that some of the properties had been purchased. Since the USACE needed the properties before all of the offers could be made and purchases completed, the Coastal Restoration and Protection Authority (CPRA) was requested to ask the Governor to issue a commandeering order. Governor Jindal issued a commandeering order for all properties that were not yet acquired. Some land owners were already amenable to the sale of the property; e.g., the School Board and Dept. of Wildlife and Fisheries. The CPRA provided a list of properties that had not yet been acquired and the properties were commandeered. SLFPA-E has made offers thus far on three individual properties that have been accepted. The Dept. of Natural Resources (DNR) and CPRA are doing a friendly expropriation on an additional piece of property, which will be in the name of the State and tagged to DNR, that is owned by Chalmette Meadows. SLFPA-E will acquire the two School Board properties, plus an additional property being acquired by offer and acceptance. She explained she is working on a complicated acquisition from the Federal Dept. of Wildlife and Fisheries of a piece of property located in the refuge. The Dept. of Wildlife and Fisheries cannot sell the property; therefore, an agreement was arranged so that SLFPA-E could purchase a piece of property owned by Eco Tours with DNR money through the CPRA and exchange that piece of property for the Wildlife and Fisheries property. The two School Board properties and Wildlife and Fisheries property will be owned by SLFPA-E. This would complete the acquisition of property needed for the IHNC project. SLFPA-E became involved when the property could not be acquired by offer and acceptance before the time specified by the USACE for its need.

Rights-of-entry for the required properties have been granted so that the project could proceed, with the exception of two acquisitions that should be finalized shortly.

Update on Requests for Qualifications concerning safe houses for levee districts.

Mr. Stevan Spencer, Orleans Levee District (O.L.D.) Executive Director, reported that a Request for Qualifications (RFQ) has been prepared for advertisement next week for an architectural-engineering firm to design a Safe House/IT/EOC within the Franklin Facility. The building has been wind rated up to 180 mph. The Governor's Office of Homeland Security and Emergency Preparedness (GOHSEP) has been approached for funding. The O.L.D. has set aside funding for preparation of the plans and specifications. Mr. Pineda suggested including the preparation of grant applications and construction management in the scope of work.

Mr. Turner advised relative to the East Jefferson Levee District that an RFQ will be prepared to assist with the planning phase, determination of a site location and preparation of conceptual floor layout plans. After this work is accomplished and cost estimates are obtained, if the same consultant is not used, an RFQ will be issued for the design work.

Mr. Jason McCrossen, Lake Borgne Basin Levee District (LBBLD) Executive Director, explained that the LBBLD has a raw set of plans from the USACE for storm proofing the pump stations that includes a safe house. An RFQ can be prepared that could be advertised as early as next week for an architectural/engineering firm. The selected firm would be provided with the USACE plans in order to prepare plans and specifications for the safe house.

Retaining the services of the Godfrey Firm to investigate a bond issue for coastal restoration projects within SLFPA-E's jurisdiction.

Mr. Doody explained that he requested that Mr. Jarrell Godfrey prepare an opinion on SLFPA-E's ability under current law to go to the public in order to raise a tax for flood protection, levees and coastal restoration projects within the area of SLFPA-E's jurisdiction. This vote would include all parishes under SLFPA-E's jurisdiction to determine whether the people would approve a tax to enhance coastal restoration projects. The Board would be approached at a later time for any additional action needed. He reiterated his belief that the people are frustrated with the lack of progress since Hurricane Katrina in coastal restoration and the rebuilding of wetlands. He noted that the SLFPA-E is a levee district and that the Board could take a position to do something rather than just wait for Federal or state funds to appear.

The Board briefly discussed the possibilities under the current State law and options such as approaching the Legislature for the creation of special taxing districts.

RESOLUTION #11-13-08-06 – ADVERTISE RFQ FOR LEGAL SERVICES

A motion was offered by Mr. Losonsky, seconded by Mr. Goins and unanimously adopted by roll call vote, to amend the agenda to add Item XIV.A.4.a, a motion to authorize the advertisement of a request for qualifications for legal services.

Ms. Sutherland stated that the RFQ should be issued with the same scope as the initial RFQ that was issued last year in order to provide flexibility. She requested that a copy of the advertisement be sent to the Hispanic Bar Association. The purpose of this RFQ is to supplement the current approved list and fill the voids in special services that may be required. Ms. Sutherland noted that those firms or individuals on the current approved list would not be required to respond to this RFQ.

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

WHEREAS, by Resolution No. 11-08-07-11 the Southeast Louisiana Flood Protection Authority-East (SLFPAE) approved a list of attorneys and firms from

which the Board may select an attorney or law firm to enter into a contract to provide special legal services, as needed, by the SLFPPA-E and levee districts within its jurisdiction; and

WHEREAS, there is a need to supplement the aforementioned approved list of attorneys and firms.

BE IT HEREBY RESOLVED, that the Southeast Louisiana Flood Protection-East authorizes the advertisement of a Request for Qualifications (“RFQ”) for special legal services for the SLFPA-E and the levee districts within its jurisdiction.

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

YEAS: Mr. Estopinal, Mr. Goins, Mr. Losonsky, Mr. Pineda and Mr. Wittie

NAYS: None

ABSENT: Mr. Barnes, Mr. Barry and Mr. Jackson

RESOLUTION #11-13-08-07 – ADVERTISE RFQ FOR ENGINEERING SERVICES

Mr. Turner advised that he has commenced compiling the request for qualifications for engineers specializing in coastal engineering and a scoring system for qualification statements that are received. He expected to advertise the RFQ next week.

Mr. Doody added that the intent is for the Board to have a list of a number of qualified individuals or firms to be utilized as needed. The ID-IQ contracts resulting from this RFQ would be for any variation of planning, design and project management services.

On the motion of Mr. Doody,

Seconded by Ms. Sutherland, the following resolution was offered:

WHEREAS, the Southeast Louisiana Flood Protection Authority-East is in need of professional engineering services for assistance with the planning, design and/or project management of coastal and wetland restoration projects on an indefinite delivery-indefinite quantity (ID-IQ) basis.

BE IT HEREBY RESOLVED, that the Southeast Louisiana Flood Protection Authority-East authorizes the advertisement of a Request for Qualifications for professional engineering services for an ID-IQ contract for planning, design and/or project management of coastal and wetland restoration projects.

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

YEAS: Mr. Estopinal, Mr. Goins, Mr. Losonsky, Mr. Pineda and Mr. Wittie

NAYS: None

ABSENT: Mr. Barnes, Mr. Barry and Mr. Jackson

RESOLUTION #11-13-08-08 – O.L.D. HEALTH CARE, DENTAL AND VISION PLANS

Mr. Losonsky advised that the various options for renewal of the O.L.D.’s health care, vision and dental plans were discussed in detail at the Finance Committee meeting. The premium for health care coverage has increased by 18 percent; however, the premium for dental care was negotiated downward 20 percent. He read the resolution in its entirety with the inclusion of the selection of Crescent Dental for the dental plan.

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

“A resolution to authorize the renewal Orleans Levee District Health Care Plan with United Health Care, procurement of an Orleans Levee District’s Dental Plan with Crescent Dental, and the procurement a Vision Care Plan from United Health Care through the Besselman Little Agency”.

WHEREAS, the Orleans Levee District’s (O.L.D.) Health Care Plan and Dental Care Plan will expire on December 31, 2008, and renewal quotes were submitted United Health Care and Crescent Dental, and a Vision Care Plan Proposal was submitted by United Health Care through the Besselman Little Agency; and

WHEREAS, the renewal of the United Health Care Plan Alternative 1 7E-J is offered at a 17.93% increase in premiums and at an estimated annual apportioned cost of \$2,135,423.00 to the O.L.D. Flood Division, less 33% (\$704,689.00) of the apportioned premium to be paid by employees/retirees; and

WHEREAS, Crescent Dental has offered a Dental Plan at the annual premium and at an estimated annual apportioned cost of \$70,631.00 to the O.L.D. Flood Division; and

WHEREAS, the procurement of a United Health Care Vision Plan is offered at an estimated apportioned annual cost of \$5,000.00 to the O.L.D. Flood Division; and

WHEREAS, all of the above plans are offered through the Besselman Little Agency for a term of one year commencing on January 1, 2009 and ending on December 31, 2009.

BE IT HEREBY RESOLVED, that the Southeast Louisiana Flood Protection Authority-East authorizes the renewal of the Alternative 1 7E-J Health Care Plan from United Health Care at an estimated annual apportioned premium of \$2,135,423.00, the renewal of the Dental Care Plan from Crescent Dental at an estimated annual apportioned premium of \$70,631.00, and procurement of the Vision Plan as offered by United Health Care at an estimated annual cost of \$5,000.00 through the Besselman Little Agency for a period of one year commencing on 1/01/09 and ending on 12/31/09

BE IT FURTHER RESOLVED, that the SLFPA-E authorizes the O.L.D. Executive Director 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. Estopinal, Mr. Goins, Mr. Losonsky, Mr. Pineda and Mr. Wittie
NAYS: None
ABSENT: Mr. Barnes, Mr. Barry and Mr. Jackson

**RESOLUTION #11-13-08-09 –
CHEVRON PIPE LINE CO. TEMPORARY CONSTRUCTION EASEMENT**

Mr. Robert LaCour, Interim General Counsel, explained that Chevron Pipe Line Company would like to use O.L.D. property to install a pipeline under the Mississippi River. No actual construction would take place on O.L.D. property. Chevron will pay \$1,250 for a two year easement and an additional \$1,250 should the easement be renewed. Chevron will provide a hold harmless.

Mr. Pineda cautioned that approval or no objection should be received from the USACE before a permit is granted for the work.

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

WHEREAS, Chevron Pipe Line Company has requested that a temporary construction easement be granted for operations associated with the installation of a 20-inch pipeline crossing the Mississippi River; and

WHEREAS, the temporary construction easement shall be for a term of two years, commencing on October 20, 2008 and ending on October 19, 2010, with a two year option for extension.

BE IT HEREBY RESOLVED, that the Southeast Louisiana Flood Protection Authority-East authorizes the SLFPA-E President on behalf of the Orleans Levee District to execute the aforementioned Temporary Construction Easement with Chevron Pipe Line Company.

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

YEAS: Mr. Estopinal, Mr. Goins, Mr. Losonsky, Mr. Pineda and Mr. Wittie

NAYS: None

ABSENT: Mr. Barnes, Mr. Barry and Mr. Jackson

RESOLUTION #11-13-08-10 – AUTHORITY FOR CONTRACTS UNDER \$50,000

The Authority at this time does not have a public works contract policy. A prior O.L.D. Board allowed the Executive Director to award and sign contracts for projects costing less than \$50,000 with the proviso that an after the fact notification of the contract award be brought to a committee of the Board. In order to expedite business and prevent delays in the commencement of public works contracts, Mr. Doody recommended that the Board adopt a policy to authorize the levee districts' Executive Directors to enter into contracts for amounts up to \$50,000 with the approval of the Regional Director

The LA Revised Statutes stipulate a contract limit of \$100,000. Projects estimated to exceed the contract limit of \$100,000 must be advertised and bid. Mr. Robert Lacour, Interim General Counsel, advised that the Board is free to set whatever policy it deems appropriate for approving contracts under \$100,000.

Ms. Sutherland commented that boards generally regulate this type of action; e.g., the award of contracts and execution of change orders, due to legal exposure.

Mr. Lacour pointed out that the requirement to obtain the approval of the Regional Director would act as a safe guard.

Mr. Turner commented that the Board sets the budget for each levee district and nothing can be done at the district level to violate the budget, which provides an additional safe guard.

Mr. Goins pointed out that there may not be a budget line item for emergency repair work; however, the Executive Directors should be allowed to proceed with the award of a contract for emergency repairs without having to wait for Board approval. Mr. Losonsky added that the Regional Director should be allowed to make that call. Ms. Sutherland noted that this should also be reviewed by legal counsel to assure the policy is not being used to circumvent the public bid law.

Mr. Turner pointed out that the public bid laws provide that the Board must officially declare a public emergency for emergency contract work over the prescribed contract limit.

Mr. Lacour recommended that as an additional safeguard the policy could include a provision that the Executive Director report the contract award at the next Board meeting.

Mr. Turner explained that the practice of the Board has been to grant authority to the Regional Director or appropriate levee district Executive Director to approve minor change orders. Major change order should come before the Board.

Ms. Sutherland commented that any new Board policy would become a part of the Authority's policy manual and would replace any existing levee district policy. Mr. Doody requested that Mr. Lacour draft a policy to replace the existing policies.

Mr. Doody called the question on the motion and clarified that the motion on the floor is to authorize the Executive Directors of the levee districts to award and execute contracts for projects in the amount of \$50,000 or less with the approval of the Regional Director.

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

WHEREAS, the Orleans Levee District, East Jefferson Levee District and Lake Borgne Basin Levee District are under the governance of the Southeast Louisiana Flood Protection Authority-East; and

WHEREAS, the SLFPAE does not currently have a public works contract policy; and

WHEREAS, there is a need for the Executive Directors of the levee districts to proceed in an expeditious manner with public works projects in the amount of \$50,000 or less.

BE IT HEREBY RESOLVED, that the Southeast Louisiana Flood Protection Authority-East (SLFPAE) authorizes the Executive Directors to award and execute contracts in the amount of \$50,000 or less for their respective levee district, subject to the prior approval of the SLFPAE Regional Director.

BE IT FURTHER RESOLVED, that the appropriate levee district Executive Director shall report the award and execution of any contract in the amount of \$50,000 or less at the Board meeting immediately following such action.

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

YEAS: Mr. Estopinal, Mr. Goins, Mr. Losonsky, Mr. Pineda and Mr. Wittie

NAYS: None

ABSENT: Mr. Barnes, Mr. Barry and Mr. Jackson

Agenda items No. XIV.C.6 and 7 were no longer necessary due to the passage of Resolution No. 11-13-08-10.

The next Board meeting will be held on Thursday, December 18, 2008 and hosted by the Lake Borgne Basin Levee District.

There was no further business, therefore, the meeting was adjourned at 4:55 p.m.

SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - EAST

REGIONAL DIRECTOR'S REPORT

November 13, 2008

100 Year Level of Protection

Inner Harbor Navigation Canal Hurricane Storm Surge Barrier:

Design work on the project continues. Many components have been submitted for 30% design review and comment. Our emphasis continues to be Operation & Maintenance considerations and the necessity to "design in" reasonable O&M features early in the process.

The State has secured necessary right-of-way across private property to begin construction. Work to secure the remaining required right-of-way continues. We have been working closely with the State to try to expedite the acquisition process.

The NEPA process has been completed and the project alignment has been set.

The USACE issued the "Notice to Proceed" for construction of the Project on November 4, 2008. Equipment has begun to be mobilized at the site and access channel dredging operations will begin soon.

Bayou Dupre Control Structure:

The USACE has awarded a contract for the preparation of Plans and Specifications for the new Bayou Dupre Control Structure. The new structure is proposed to be built nearly 15' higher than the existing structure. Indications are that the new structure will be constructed just north of the existing structure.

Reach 5 – East Jefferson Levee District:

According to the USACE, the upcoming work for Reach 5 will bring that stretch of levee up to 100 year level of protection design requirements. The work will be done at 100% Federal Cost (no local matching funds required). A "Notice to Proceed" is expected by the end of this week.

LPV 145, 146, and 148 – Bayou Dupre to Caernarvon Levee/Floodwall

It appears that the USACE will recommend a T-Wall floodwall atop a levee section for this entire 22 mile reach.

LPV 149 Caernarvon Floodwall – Lake Borgne Basin Levee District:

USACE has taken public comment and is currently evaluating the various alternatives for this project. Reconstruction of a new wall along the existing alignment is problematic because of right-of-way issues and interference with existing residences and major industry. The Parish Government and the general public (particularly residences and businesses near the existing floodwall alignment) favor shifting the alignment to a location east of the Caernarvon Canal (in Plaquemines Parish). This would require a new Control Structure in the Caernarvon Canal. The work is currently expected to be 100% federally funded.

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 June 13, 2008. The map can be found at the following web address:

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

Coastal Protection and Restoration

The USACE and the state of Louisiana's Coastal Protection and Restoration Authority (CPRA) signed a cost share agreement that will initiate several studies that are part of the recent Louisiana Coastal Area (LCA) authorization. The studies will evaluate how to increase organic deposits and improve the productivity of the marsh while working to prevent further deterioration. The total cost for the studies is approximately \$27 million. The studies will culminate in a report the State and Corps will release in December 2010.

Submittals

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

- IHNC Storm Surge Barrier (new reviews daily)
- LPV-104.01A (Five Earthen Ramp Crossing along Lakeshore Drive)
- Draft EAR LPV-105 thru LPV-111
- Williams Floodwall and Gate (50% Design)
- Duncan Breakwater (95% P&S Modifications)

Flood Fight

There are no Flood Fight activities underway at this time. Debris cleanup associated with Hurricanes Gustav and Ike is nearly complete in all districts.

Construction

East Jefferson Levee District:

The USACE issued a NTP on November 3, 2008 for the Causeway Crib Wall Repairs and West Return Wall Jet Grouting.

Orleans Levee District:

LPV-103, Lake Front levee raising is 96% complete

LPV-101, Lakefront Levee Advanced Measures Project is 70% complete. The project involves the construction of a sheet pile wall on a levee section near West End (Coconut Beach)

Lake Borgne Basin Levee District:

Reconstruction/Renovation of Drainage Pump Stations 2, 3, and 5 is scheduled for completion before the end of this calendar year.

LBBLD Office Building Repairs are on schedule and should be completed in early 2009.

LPV 148.01, Verret to Caernarvon Reach is 49% complete. The project is scheduled for completion in April 2009.

Internal Affairs

Capital Outlay Requests for all three levee districts were submitted to the DOA before November 1, 2008.

We began contract negotiations with GCR on November 3, 2008. Draft contract language has been developed and is now under review.

A meeting with the IEPR team reviewing the USACE Design Guidelines was held on November 7, 2008. The purpose of the meeting was to discuss comments submitted by the team thus far and to clarify the latest version of the Guidelines.

ERDIC sponsored a trip to the Vicksburg District on November 12, 2008 to witness hydraulic modeling set up for the IHNC HSDRR Project. Modeling has shown potential problems with double wide barges traversing 150' wide opening.

The Strategic Plan/Organizational Study is progressing. SSA met with the Directors on October 20, 2008 to begin the process of developing long term and short term goals for the Authority. SSA plans to meet with each Director individually to further refine the goals.

We have received notification from the Dutch that the pilot project we requested a few months ago for a levee information management system has been preliminarily accepted.

The State OCPR and USACE have signed a "Memorandum of Understanding for the Construction of the Mississippi River Gulf Outlet Closure Structure and 3rd Supplemental Measures". We are assisting the State in securing the necessary LERRDS. The construction of the Closure Structure at the La Loutre Ridge is scheduled for completion in May 2009.

The USACE has completed the installation of piezometers at the 17th St. Canal seepage site on. Data loggers will be installed this week and data collection will begin next week. A meeting was held at the USACE District HQ yesterday to discuss the project plan. Ray Martin and Bob Bachus requested some additional information from the USACE and both parties worked out the details of data collection and transmittal.

The USACE has hired a consultant to review the analysis and make recommendations for the fortification of a 2000' +/- section of existing I-Wall along the west side of the IHNC. All necessary work must be completed prior to the 2009 Hurricane season. We are closely monitoring the progress of this work

We need to continue to work with our legislative delegation to revise some of the language in existing Authorizations. We need language to make the Federal Government responsible for the OMR&R of the proposed gated (navigation) structures that are a part of the IHNC Storm Surge Barrier. We also need changes to allow the USACE to properly complete the Permanent Pump Station Projects in the Outfall Canals (**including decommissioning of internal pump stations and reconstructing the drainage canals to provide for gravity drainage to the proposed new Permanent Pump Stations**).

Upcoming Events

- Nov 13 Public Meeting – Orleans Levee Projects
6:00 pm to 9:00 pm
Lindy C Boggs Conference Center Rm 236
2045 Lakeshore Dr.
- Nov 18 Public Meeting – Orleans Levee Projects
6:00 pm to 9:00 pm
Church at New Orleans
11700 Chef Menteur Hwy
- Nov 19 Armoring Manual Peer Review Conference
8:00 am to 4:00 pm Room 381
USACE District
- Dec 3-4 ALBL 68th Annual Meeting
Hilton New Orleans Riverside
- Dec 5-6 Mississippi Valley Flood Control Annual Meeting
Westin Canal Place Hotel
- April 6 – 10 2009 31st Annual National Hurricane Conference
Austin, Texas