MINUTES OF THE SPECIAL MEETING (FLOOD PROTECTION SUMMIT) SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY – EAST MONDAY, NOVEMBER 23, 2009

The Southeast Louisiana Flood Protection Authority - East (Authority or SLFPA-E) held a special meeting (Flood Protection Summit) at 9:00 a.m. on Monday, November 23, 2009, at the Hotel InterContinental, LaSalle A - Third Floor, 444 St. Charles Avenue, New Orleans, LA. Notice of the special meeting was sent to each Board member and the news media and posted.

PRESENT:

Timothy P. Doody, President Stradford A. Goins, Vice President George Losonsky, PhD, Secretary Stephen Estopinal, Treasurer David P. Barnes, Jr. John M. Barry Louis E. Wittie

<u>ABSENT</u>: Thomas L. Jackson Bicardo S. Pineda

Mr. Doody welcomed everyone to the Flood Protection Summit. He recognized the members of the East and West Authorities and thanked everyone for being present.

Mr. Doody advised that the purpose of the Summit is to bring attention to the job that is not yet finished and to bring focus on the near and long term goals. He stated that much has been accomplished since the first Flood Protection Summit that was held two years ago and that the half-way mark has been reached on the 100 year protection projects. As the design of the current system ends and construction progresses on all of the 100 year protection projects, focus must shift to a higher level of protection. He pointed out that challenges have been faced and the SLFPA-E worked with its partners in a spirit of cooperation to solve those challenges. Monthly meetings were implemented for the partners to come together to address and solve problems. These meetings included the leadership of the U.S. Army Corps of Engineers (USACE), the Coastal Protection and Restoration Authority of Louisiana (CPRA), the Office of Coastal Protection and Restoration (OCPR), Jefferson Parish, the Sewerage and Water Board of New Orleans, and the East and West Authorities.

Mr. Doody addressed some of the current specific needs:

1. Maritime components are included in the East and West Bank surge barriers which the East and West Authorities are not equipped to handle. The closure of these structures requires close coordination of interstate commerce and maritime needs both of which are traditional responsibilities of the USACE. The East and West Authorities are working on these operations and maintenance issue and are requesting the assistance of the U.S. Congressional delegation. The most appropriate place to address this issue appears to be the Water Resources and Development Act of 2010 (WRDA). Comments for WRDA are being requested and are due by December 3rd.

2. An appropriation of funding is needed for storm proofing pump stations in St. Bernard and Plaquemines Parishes. The Federal government has made significant investments in the repair of the pump stations, infrastructure, homes and businesses in both parishes. It seems illogical to leave that Federal investment unprotected due to the lack of a comparatively immaterial investment. The storm proofing work is authorized; however, it must be funded.

Mr. Doody thanked and encouraged the Federal, State and local leaders, who are working in an environment of pressures of a tight economy and competing needs for tax dollars. He stressed that an investment in flood protection will pay dividends for decades. Betsy fatigue became Katrina fatigue. He said, "Let's not wait for the next disaster". The public needs and deserves a higher level of protection that is achievable through coastal restoration.

Mr. Doody presented a framed copy of SLFPA-E Resolution No. 11-19-09-09 recognizing the contributions of Governor Jindal and the State to the rebuilding of the local flood protection system to Garrett Graves, who accepted the resolution on behalf of the Governor. Mr. Graves thanked the SLFPA-E for the recognition. He stated that a number of individuals present had to convince their colleagues from north and central Louisiana that the dedication by the Legislature of funding to coastal restoration and flood protection is a good investment and that these individuals also deserve credit. He added that making the exponential increase in hurricane protection and coastal restoration funds was not an easy task. He commended the members of the Legislature for their leadership in this effort

Mr. Barry thanked everyone for coming. He commented on the unexpected problem of complacency that is developing and on the need to focus on flood protection. One of the purposes of the Summit is to identify problems that remain concerning 100 year protection. He stressed that 100 year protection is a bare minimum. One hundred year protection means that over the course of 100 years there is a less than 40 percent chance of seeing a storm that does not exceed that level of protection. Protection beyond the 100 year standard will require a lot of money and tremendous support from the rest of the country. He discussed some of the facts that need to be communicated to the nation. He explained that this region is not nearly as dangerous naturally as it has become because of benefits that have accrued to the rest of the nation. For example, the Mississippi River now carries only about one-third of the sediment that it historically carried. One-half of all of the sediment that is missing is sitting behind six dams built in Montana and North and South Dakota to provide electricity to that part of the country. Louisiana is facing a national problem that was created by the nation, including navigation interests and the oil industry. He reiterated that this region was not by nature nearly as vulnerable as it has become.

Mr. Barry introduced Senator David Vitter and thanked the Senator for finding time in his busy schedule to attend.

Senator Vitter thanked the SLFPA-E and all of the partners present for their leadership and hard work. He commented on the reform that created the East and West Authorities and on the on-going partnership effort. He stated that he serves on the Senate's Environment and Public Works (EPW) Committee, which oversees all USACE activities and commented that the SLFPA-E has been an invaluable partner in making him aware of issues and concerns. He cited the examples of the recent Kenner levee concerns, which he is working with Colonel Lee and others to fully resolve, and the ongoing work to try to achieve the proper resolution for the outfall canals. Senator Vitter stated that crucial strides have been made since Hurricane Katrina, such as the reform efforts and the \$16+ billion dollars of vital on-going hurricane and flood protection work. However, he underscored that much more work in partnership needs to be done.

Senator Vitter reviewed five of the top priorities and challenges that he stated he is focused on every week in his work on the EPW Committee and with the USACE:

- Getting on schedule true 100 year protection. Work is slated to be wrapped up by the 2011 hurricane season; however, attention is needed to assure that all of the work is completed properly and on time. Part of this involves the restocking of funds in the next Federal USACE budget that were reprogrammed to another category in order to keep work moving as efficiently as possible.
- 2. Properly resolving the continuing disagreement with the USACE on the outfall canals. He stated that he continues to think that Option 1, which the USACE is moving forward on, is inadequate and bears too much risk for this area. He stated that a much more suitable and robust solution is needed, such as Option 2 or 2a.
- 3. Beyond 100 year protection, looking forward with the LaCPR and holding the USACE to the mandate by Congress coming out of Katrina. The USACE was mandated to look in a rigorous way beyond 100 year protection and to give the Congress some meaningful direction with project-like ideas for higher levels of protection. He pointed out that this is important for coastal protection and for protection for the North Shore. He stated that in his opinion this mandate was not met. The USACE issued their reports late and in very general terms. The reports did not properly define specific projects for the Congress to consider and, hopefully, authorize and fund in order to achieve a higher level of protection.
- 4. Preparing for and working on the next WRDA bill.
- 5. Real USACE reform. He commented that other problems must be addressed in addition to USACE reform, such as the placement of too many mandates on the USACE by the Congress without the proper funding and environmental litigation. He added that he authored language that was included in the last WRDA bill for the creation of the Louisiana Water Resources Council, which was to function as the peer review body for Louisiana projects. However, over two years later this mandate

has not been set up. The USACE is moving forward with a plan to address this mandate, which is an initial step in USACE reform directly pertaining to Louisiana projects.

Senator Vitter responded to several questions from the floor.

Mr. Barry recognized St. Tammany Parish President Kevin Davis, St. Bernard Parish President Craig Taffaro, Senator Ed Murray and Representatives John E. Guinn, Gregory Ernst, Nickie Monica, Juan LaFonta and Reed Henderson, and Councilmember Cynthia Willard-Lewis. Mr. Barry commented on the support received from the Governor and Speaker of the House Jim Tucker. He then introduced Speaker Tucker.

Speaker Tucker commented on the processes put in place after Hurricane Katrina to streamline and coordinate flood protection and increased citizen interaction. He stated that it is important for citizens in south Louisiana to recognize that north Louisiana has been generous in allowing hundreds of millions of dollars for flood protection, along with the commitment to the 30-year pay out of the local cost share. He stated that the Governor's leadership has been critical in bringing people together and in getting things done for flood protection. He stressed that critical investments are being made to infrastructure that will support flood protection and economic development across southeast Louisiana, which will assure a vibrant economy. He commented on future funding that will come through leveraging of off shore royalty monies. He stated that the big dollars will begin coming in 2016 and that a program is being worked out to leverage those dollars at the appropriate time and in the appropriate way to achieve greater flood protection sooner. Louisiana is losing part of its coast every day. Mr. Tucker cautioned that funding will be difficult along lines of government. Louisiana is facing an unprecedented budget problem this year and next year. A \$950 million shortfall is expected for this coming fiscal year and a billion dollar shortfall is expected in 2010 with the elimination of the Federal stimulus dollars. He commented on the importance of the work that the SLFPA-E is doing and on the necessity for the Legislature to provide funding each year to keep projects going in order to have coastal protection and restoration in southeast Louisiana.

Speaker Tucker introduced Garret Graves, Chairman of the CPRA.

Mr. Graves recognized Representatives Greg Cromer, Anthony Ligi and John Schroder, who had just arrived. Mr. Graves commented that the State of Louisiana was facing a cost share of about \$1.8 billion over three years for the flood protection currently underway, which would have included a \$1.1 billion cost share for this fiscal year had a 30 year repayment agreement not been negotiated.

Mr. Graves discussed some of the impacts of Hurricane Katrina: 1,400 lives were lost in Louisiana, hundreds of thousands of homes and businesses were damaged or destroyed and one million citizens were displaced. The economic impact of Hurricane Katrina exceeded \$100 billion and the State's budget and economy were devastated. One hundred fifty billion dollars has been spent thus far by the Congress in

appropriations and programs responding to Hurricane Katrina, which is the most expensive disaster in the nation's history. He described the repercussions to the shipping industry and on gasoline prices that were felt nationwide.

Mr. Graves spoke about the USACE's hurricane protection work that is underway in the greater New Orleans area, including the IHNC surge barrier and West Bank closure complex. He showed a comparison of the inundation that would be experienced from a 100 year storm with the pre-Katrina level of protection and with the improvements being made from 2007 to 2011. He pointed out that 2,300 square miles of coastal wetlands have been lost in Louisiana and showed a projection of lands that will be lost by 2050 without intervention. He stressed that a comprehensive integrated strategy is required that includes restoration of Louisiana's coastal wetlands and barrier islands; floodwalls, floodgates and levees; the strategic construction of highways; and continuing public education on the elevation of homes and businesses, risks and evacuation. The State of Louisiana developed a comprehensive master plan in 14 to 16 months at a cost of three to four million dollars. The structure in Louisiana was set up to address the comprehensive nature of the master plan and restoration and protection efforts. The Office of Costal Protection and Restoration was set up as the implementation office for the Coastal Protection and Restoration Authority. Forty-three different funding sources have been identified to date for various components of Louisiana's master plan.

Mr. Graves summarized that the State of Louisiana went from spending about \$30 million per year for restoration and protection to having about \$1.7 billion today and on the Federal level went from about \$200 million of funding to \$15 billion in funding. Therefore, a total of about \$17 billion is being invested in this area. The efficiency of Federal and State efforts has been increased and innovated approaches to the design. construction and financing of projects are being taken. Over one million people now have the best protection that they have ever had and this protection is improving each day. Approximately \$400 million in projects were authorized for construction in Louisiana prior to Hurricane Katrina. Post Katrina, as a result of WRDA, an estimated \$24 billion of projects for hurricane and flood protection and coastal restoration are authorized in Louisiana. Mr. Graves advised that President Obama has established an interagency working group that is planning to come to Louisiana in December. He commented on the anticipated receipt of a share of off shore royalty revenues beginning in 2016. He added that the State is working with its Federal partners on improving the project development implementation process and to establish a coastal science consortium in Louisiana.

Mr. Barry commented that the region has not adjusted to the Dutch idea of "living with water". He pointed out the reality that even if the 100 year protection system works perfectly, if a storm exceeding that level strikes, parts of the system will get wet. In addition, if somehow the government decides to spend \$100 billion on a higher level of protection, that higher level of protection will not be there for a long time. Mr. Barry then asked Senator Ed Murray if we would like to comment.

Senator Murray stated that there has been an issue with funding ever since the SLFPAE was created. He commented on the need to address the lack of funding to maintain the Orleans Levee District non-flood assets and on the annual battle in the Legislature since Hurricane Katrina concerning what should be done with those assets.

Mr. Barry stated that many people have been critical of the USACE. However, the criticism reflects on the problems institutionally and not on the individuals at the USACE who have been working hard and doing a good job. Mr. Barry congratulated General Walsh for being nominated for a second star and stated that this reflects on the job that General Walsh has done. He then introduced Brigadier General Michael J. Walsh.

General Walsh discussed some of his background prior to becoming Commander of the Mississippi Valley Division and expressed his appreciation for becoming a part of this historic mission. He stated that in the last three and one-half years the USACE and its partners (the State, levee boards and local governments) have made significant progress in the Hurricane and Storm Damage Risk Reduction System. The USACE is progressing rapidly towards its goal of providing risk reduction to get to that one percent chance of flooding in any particular year. The USACE has nineteen months to meet the goal of June, 2011. The USACE recognized that it did not have enough engineering resources in the Louisiana District to meet its goal. General Walsh explained that there are engineers from every district in the Mississippi Valley Division, as well as people from the Northwest Division and ERDEC, working to accomplish this mission. The USACE is also taking knowledge and capabilities from its partners in industry, academia and A&E firms and applying them to practical engineering requirements being put into place that are state of the art. The Risk Reduction System for the greater New Orleans area includes 350 miles of levees and floodwalls, floodgates, canal closures, 73 pump stations and many other structures. The perimeter system is being improved. The system is stronger and more resilient than at any time in history. The system performed as designed during Hurricane Gustav in 2008.

General Walsh stated that about \$1.6 billion went directly to small businesses. About 80 percent of those small businesses are located in Louisiana. This figure does not include the small business requirements in prime contracts.

General Walsh pointed out that the IHNC surge barrier is one of the most notable signs of progress. The IHNC surge barrier is the largest civil works design-build construction contract ever put into place and will provide flood risk reduction for the Ninth Ward, New Orleans East, St. Bernard Parish and other areas. The West Closure Complex was awarded in May using early contractor involvement in order move the project forward. The West Closure Complex will include the largest pump station in the world. The USACE plans to construct 23 miles of floodwall in St. Bernard Parish. Since Katrina about \$170 million or two-thirds of the SELA contracts have been put in place.

General Walsh stated that the USACE is engaged on several fronts. The LaCPR was submitted to the Assistant Secretary and should be moving to Congress shortly. The

USACE is also working with the Breaux Act looking at long term conservation of Louisiana coastal wetlands.

General Walsh discussed the MRGO closure. Three hundred fifty thousand tons of rock was used to close the MRGO. The USACE is now attempting to determine the best way to restore the wetlands on the MRGO.

General Walsh responded to a question from the audience.

Mr. Barry introduced Carlton Dufrechou, the Executive Director of the Causeway Commission and former Executive Director of the Lake Pontchartrain Basin Foundation.

Mr. Dufrechou stated that metropolitan New Orleans is safer today than it was in 2005. However, there is a strong indication that about 100 years ago the level of protection was at a 200 to 400 year cycle of return because Louisiana had a robust coast. He showed depictions of the shoreline of the Gulf of Mexico about 4,300 years ago, 3,300 years ago and in the 1930's. Two thousand square miles of Louisiana's coast was lost between 1930 and 2005. He showed a habitat-type map from the 1930's that depicted fresh water marshes, saline environments and brackish and intermediate marshes. As time passed the saline marshes moved farther inland. The saline waters of the coast are much closer than they were historically due to natural factors, such as erosion and subsidence, and due to human tampering with the system, such as the cutting off of sediments by creating levees along the Mississippi River and the cutting of navigation canals. He stated that the 1930's map is the only map to-date of a potentially selfsustaining system. He stated that there must be an overarching goal for coastal restoration and the anchor must be a self-sustaining system. Habitat goals are critical to reestablishing a self-sustaining system. He showed correlations between storm impacts from 1915 to 2005 and coastline and wetlands loss. He stated that in 1915 the metropolitan New Orleans area had a 400 year degree of protection because of the wetlands. The degree of protection decreased as the wetlands loss increased. There is a potential to increase the degree of protection with the anticipated coastal work and LaCPR. He warned that modeling indicates that if Louisiana loses what remains of its coast, surges on the levees will probably go up 15 to 25 percent. Mr. Dufrechou showed projections by LSU of a one foot relative sea level rise on a potential 40 to 50 year horizon and a two foot relative sea level rise on a potential 90 to 100 year horizon. He stressed that levees alone are not enough. He stated that the coast has always been the primary line of defense and we must do everything we can to make it selfsustaining again.

Mr. Barry thanked Corrine Morrison of the Chaffe, McCall law firm for allowing Tim Doody the flexibility to perform the duties of SLFPA-E President. He then recognized Congressman Steve Scalise and asked if he wished to comment.

Congressman Scalise stated that the Congressional delegation has worked closely with those partners present today. The time to go to the next level is when the Category 5 plan comes out from the USACE in the next few weeks. The Congressional delegation

has been working to try to obtain a commitment from the White House to fast track the Category 5 report. He stated that achieving the 100 year level of protection by 2011 is important; however, obtaining the next level of flood protection is critical for the long term. This would include both the prevention of storm surge from coming into Lake Pontchartrain and coastal restoration. Congressman Scalise stated that he looked forward to working with everyone to achieve this goal.

In closing, Mr. Doody stated that he appreciated everyone's attendance. He asked that everyone continue their focus on the 100 year protection and on the higher level of protection. The Summit ended at 11:05 a.m.