

**MINUTES OF THE
SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY–EAST
SPECIAL BOARD MEETING
WEDNESDAY, DECEMBER 6, 2017**

The Special Board Meeting of the Southeast Louisiana Flood Protection Authority-East (Authority or SLFPA-E) was held on December 6, 2017, in the Franklin Avenue Administrative Complex, Meeting Room 201, 6920 Franklin Avenue, New Orleans, Louisiana, after due legal notice of the meeting was sent to each Board member and the news media and posted.

Mr. Hassinger called the meeting to order at 10:40 a.m. and led in the pledge of allegiance. Mr. Kemp called the roll and a quorum was present:

PRESENT:

Lambert J. Hassinger, Jr., President
Richard A. Luettich, Jr., Vice President
G. Paul Kemp, Secretary
Mark L. Morgan, Treasurer
Clay A. Cosse
Quentin D. Dastugue
Andrew J. Englande, Jr.

Jason P. Latiolais
Herbert I. Miller

ABSENT:

None

OPENING COMMENTS BY PRESIDENT AND COMMISSIONERS:

None.

ADOPTION OF AGENDA:

A motion was offered by Mr. Luettich, seconded by Mr. Morgan and unanimously adopted, to adopt the agenda.

PUBLIC COMMENTS:

Monte Shallett, representing the Lake Vista Property Owners' Association (LVPOA), stated that he strongly supports the proposed PCCP Cooperative Endeavor Agreement (CEA). It is obvious that the perimeter system is best administered properly by the authority that is now administering the perimeter system. He commented that the LVPOA and some of the leadership on the lakefront strongly support the proposed CEA.

NEW BUSINESS:

RESOLUTION NO. 12-06-17-01 - AUTHORIZING THE BOARD PRESIDENT TO NEGOTIATE A COOPERATIVE ENDEAVOR AGREEMENT AMONG THE SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY-EAST, THE COASTAL PROTECTION AND RESTORATION AUTHORITY AND THE NEW ORLEANS SEWERAGE AND WATER BOARD AND/OR CITY OF NEW ORLEANS, ON BEHALF OF THE NEW ORLEANS SEWERAGE AND WATER BOARD, REGARDING THE OPERATION AND MANAGEMENT OF THE PERMANENT CANAL CLOSURES AND PUMP STATIONS LOCATED AT THE THREE OUTFALL CANALS IN ORLEANS PARISH

Mr. Hassinger provided initial comments prior to opening the matter for Board discussion. The Flood Protection Authority is made up of over 200 dedicated and experienced professionals who take very seriously the critical role they play in protecting lives and property. The Authority manages, operates and maintains several hundred miles of levees and floodwalls, 250 floodgates and about 100 drainage valves. In addition, the Authority manages and operates eight complex structures, including the Surge Barrier Sector Gate and Barge Gate, the Bayou Bienvenue Lift Gate, the Bayou Bienvenue Complex, the Bayou Dupre Gate, the Caernarvon Gate, the Seabrook Complex Gates and the Bayou St. John Gate. Together these structures constitute the perimeter flood defense system. That's what we do. Now there are three new structures coming on line that are also part of the perimeter defense system. The three PCCP (Permanent Canal Closures and Pumps) structures have been designed and constructed by the U.S. Army Corps of Engineers (USACE) in coordination with the Coastal Protection and Restoration Authority (CPRA) as the non-federal sponsor. They consist of closure structures and pumps. The structures are almost complete. These structures form part of the Federal Hurricane Storm Damage Risk Reduction System (HSDRRS). They are a critical component of the perimeter flood defense system, protecting lives and property in our jurisdiction.

Mr. Hassinger went on to explain that the structures are designed and intended to function during a storm event to prevent tidal surge from Lake Pontchartrain inundating the City. These structures are not interior drainage pumps and are not used to drain the City during normal rainfall events. Under the proposal, interior pumping and drainage would remain a Parish responsibility -- a responsibility of the Sewerage and Water Board (S&WB). The Flood Protection Authority staff participated in training on the structures with the USACE and the manufacturer. Pursuant to State law, CPRA will turn the structures over to a local entity to manage, operate and maintain. The Flood Protection Authority had a series of meetings with the CPRA, the City of New Orleans and the S&WB about who will manage, operate and maintain the structures. Currently, the S&WB operates the interior pump stations, which drain the City during normal events. The S&WB does not operate the perimeter defense system. Since these structures form part of the perimeter flood defense system (HSDRRS), there has been discussion about whether the Flood Protection Authority should agree to manage, operate and maintain them. A resolution is before the Board today by which the Flood

Protection Authority expresses that it is open to managing, operating and maintaining the structures and authorizes negotiations with the S&WB to formulate an agreement in order to do so.

Mr. Hassinger advised that he met with the Authority's senior management on several occasions, asking questions, such as: can we do this successfully; should we do it, can we afford to do it, and will our managing these structures in any way hamper our ability to meet our other responsibilities. The strong consensus is that we can do it, we should do it, we can afford to do it, and that doing so will in no way hamper our ability to meet our other responsibilities, and finally, that there is no one else better able to do it. It will be a challenge that demands effective leadership, training, organization, planning and execution. These are complex structures and it is critical that they perform when called upon.

Mr. Hassinger added that his personal position is that he knows that with the Flood Protection Authority managing the structures, when the water comes, every component of the flood defense system will perform, including these structures, to reduce the risk of destruction from storm surge. As such, he stated that he is in favor of managing the structures, if, and only if, the Flood Protection Authority can negotiate a fair agreement with the S&WB. The S&WB, City and CPRA demonstrated in preliminary discussions that they are very open to negotiating a fair agreement. Mr. Hassinger was confident that a fair agreement can be negotiated with cooperation and give-and-take on both sides, and that a decision can be reached that is fair, smart and reasonable.

Mr. Miller stated that he was in favor of the resolution presented to the Board with one minor change. He requested that the resolution be revised to authorize the negotiation of the agreement, but that the final agreement be presented to the Board for approval. He advised that as Operations Committee Chairman he attended meetings with the S&WB and CPRA and noted that there is a financial component to the agreement. The Authority will not bear the full financial burden for the operation and maintenance (O&M) of the PCCP. A substantial contribution will be provided by the S&WB.

Mr. Luetlich commented that the Authority is currently in negotiations. Once final terms are negotiated, which the Authority's negotiators determine to be fair and reasonable, the agreement would be presented to the Board for final approval. He read the proposed amendment to the **FURTHER RESOLVED** paragraph in the resolution, to wit:

“BE IT FURTHER RESOLVED, that the President of the Flood Protection Authority Board or the Chief Administrative Officer is authorized to take all necessary actions on behalf of the Flood Protection Authority to negotiate any agreements, amendments to agreements and other documents necessary to carry out the purpose of this resolution. Final acceptance of this agreement is pending a final vote of the Flood Protection Authority.”

The motion to amend the resolution was offered by Mr. Luetlich, seconded by Mr. Morgan, and unanimously adopted by the Board.

Mr. Morgan concurred that the agreement should be brought to the Board for approval due to the financial and organizational impacts. Staff will be taking on additional responsibilities. The Board will be able to absorb the facts and determine changes that may be needed in the upcoming months.

Mr. Luetlich expressed his support for the proposed agreement. The PCCP is part of the perimeter system. The perimeter system must function as a single system when a storm comes; therefore, it makes sense for the Authority to have the lead on the O&M of the PCCP. For New Orleans to be truly protected in the best way possible, there must be good collaboration and cooperation between the perimeter system and interior drainage. He pointed out that the HSDRRS is simply not designed to keep all storms from overtopping it and the system will be overtopped at some point. Therefore, water that gets inside must be dealt with efficiently. Holistic protection for the City of New Orleans requires a good partnership and good operating capabilities and collaboration between the Flood Protection Authority, the S&WB and any other entities that have a part in this mission. It was appropriate for the first number of years for the Authority to concentrate on getting a perimeter system that is well designed and hardened and high functioning. One of the challenges going forward is to build the collaboration with the S&WB in order to achieve a holistic approach. At many levels, this is the right thing to do at the right time and will help build a collaborative and holistic team that New Orleans truly needs.

Mr. Latiolais stated he supported the proposed agreement and asked if staff had any issues with the O&M of the PCCP. Mr. Boese responded that the staff has taken an extensive look at this issue, and based on the information currently available to the Authority, the O&M of the PCCP will be a big effort, but he is very confident that with the current staff, and with additional hired staff possessing certain specific skill sets to run the stations, the Authority can operate and maintain the PCCP.

Mr. Englande inquired about use of the PCCP pumps for interior drainage. Mr. Hassinger responded that the PCCP structures are not designed for and would not be operated to handle rain events other than tropical storms. He explained that there was a past proposal to design the outfall canals for drainage to be gravity fed to the PCCP stations; however, this would not be achieved anytime in the near future because of the steep cost estimate. Mr. Miller added that the PCCP pump stations were designed with the capability of handling gravity flow so that in the future should the outfall canals ever be deepened with intent to abandon the upstream stations, they would be able to do so; however, the motors would have to be changed out in order to handle a higher differential. He pointed out that there is no plan or funding in place at this time to allow the canals to be dredged to accomplish this effort. Should that ever happen, the structures would be permanently closed and the PCCP pump stations would become drainage pumping stations.

The Board discussed potential circumstances under which the PCCP structures would need to be closed and the pumps operated outside of a tropical event. Mr. Miller

pointed out that the PCCP were designed to handle free board on top of the anticipated flow of the canal; therefore, the likelihood of the PCCP being operated outside of a tropical event is slim.

Mr. Miller advised that some pumps stations in Jefferson Parish pump into the 17th Street Canal downstream of Pump Station No. 6; therefore, an enforceable agreement is needed relative to any current or future pump stations to provide that should the water level in the canal reach an unsafe height, they cannot pump into the canal as they could potentially impact the integrity of the floodwalls along the canal. He added that this is a very unlikely scenario. The design of the PCCP took into consideration the current pump stations that pump into the 17 Street Canal; however, Jefferson Parish has proposed some new smaller pump stations that would produce additional flow.

Mr. Dastugue inquired about the USACE's turn over of such massive structures to the local sponsor without a detailed evaluation of the capacity, operations and other factors. Mr. Boese advised that the Authority has been involved in the discussions to some extent throughout the design of the PCCP. CPRA, as the non-federal sponsor, is the lead on this effort and has been intimately involved in every aspect of the PCCP project. Therefore, CPRA is knowledgeable about the issues that could potentially arise, some of which are currently being discussed with the USACE. The pump tests are currently on-going. The project has not yet met substantial completion. At this point it is anticipated that the earliest that the PCCP would be turned over to the Authority would be February.

Mr. Dastugue asked if there was a request for the Authority to take over the PCCP. Mr. Hassinger explained that a series of discussions took place that pre-date a majority of the sitting Board members concerning which entity would operate the structures. There is a consensus among the entities involved in the discussions that the Flood Protection Authority is probably the appropriate agency to take over the O&M of the PCCP because it operates the remainder of the perimeter system and because the Authority knows that when called upon the structures will perform.

Mr. Dastugue inquired about a methodology to guarantee that funding is received from the S&WB. Mr. Hassinger responded that in the meetings that have taken place thus far, the Authority made it clear that the PCCP will be expensive to operate and maintain and that a mechanism would need to be put in place to ensure that the funding is received ahead of time. He was confident that terms can be negotiated to make this happen; e.g., the S&WB's contribution could be presented to the Authority at the beginning of each year when tax revenues are collected. Mr. Cosse inquired about a mechanism to enforce the terms for payment. Mr. Hassinger requested that Board members contact him to provide suggested methods to ensure payment of contributions. He stated that he would not bring an agreement to the Board that would place the Authority at risk for not receiving the S&WB's contribution or that would negatively impact the Authority's funding.

Mr. Kemp pointed out that the CPRA has a strong interest in the PCCP. Mr. Hassinger noted that the CPRA is comfortable with the Flood Protection Authority's O&M of the PCCP.

On the motion of Mr. Luettich

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

WHEREAS, pursuant to Article 7, Section 14(C) of the Louisiana Constitution of 1974, and related statutes, the Southeast Louisiana Flood Protection Authority-East ("the Flood Protection Authority") may enter into cooperative endeavors with the State of Louisiana, its political subdivisions and corporations, the United States and its agencies, and any public or private corporation, association, or individual; and

WHEREAS, in accordance with La. Const. Art. VI, §38 and La. R.S. 38:281, et seq., the Flood Protection Authority is charged with the duty to maintain the regional flood defense system, including the Hurricane Storm Damage Risk Reduction System ("HSDRRS"), in Orleans Parish, Jefferson Parish and St. Bernard Parish; and

WHEREAS, the U.S. Army Corps of Engineers designed and built the permanent canal closures & pumps (PCCP) on the three outfall canals in New Orleans as part of HSDRRS, to be activated in the event of a hurricane or other tropical storm event; and

WHEREAS, the Flood Protection Authority is responsible for providing flood protection for a region that includes East Jefferson, Orleans and St. Bernard Parishes, and has a vested interest in the operation and maintenance of the PCCP because of their integration with HSDRRS; and

WHEREAS, the Flood Protection Authority agrees that the proper management and operation of PCCP will provide an essential benefit to the citizens within its jurisdictional boundaries; and

WHEREAS, the Flood Protection Authority desires to enter into a Cooperative Endeavor Agreement with the New Orleans Sewerage and Water Board (and/or City of New Orleans), and/or the Coastal Protection and Restoration Authority, by which the Flood Protection Authority will manage and operate PCCP; and

WHEREAS, the Flood Protection Authority acknowledges that a Cooperative Endeavor Agreement will be mutually beneficial to the Flood Protection Authority, SWB and CPRA, and will further their respective statutory purposes, duties, and authorities and each party expects to receive benefits for themselves and the public at least equal to the cost of the responsibilities undertaken pursuant to such an agreement; and

WHEREAS, the Flood Protection Authority believes that a Cooperative Endeavor Agreement will serve the overall purpose of providing effective and integrated flood protection for the citizens of the State of Louisiana and within the jurisdictions of the Flood Protection Authority.

BE IT HEREBY RESOLVED, that the Flood Protection Authority intends to enter into a Cooperative Endeavor Agreement with the New Orleans Sewerage & Water

Board (and/or City of New Orleans) and/or the CPRA, as negotiated by the parties, by which the Flood Protection Authority will manage and operate PCCP; and

BE IT FURTHER RESOLVED, that the President of the Flood Protection Authority Board or the Chief Administrative Officer is authorized to take all necessary actions on behalf of the Flood Protection Authority to negotiate any agreements, amendments to agreements and other documents necessary to carry out the purpose of this resolution. Final acceptance of this agreement is pending a final vote of the Flood Protection Authority.

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

YEAS: Mr. Cosse, Mr. Dastugue, Mr. Englande, Mr. Kemp, Mr. Latiolais,
Mr. Luettich, Mr. Miller and Mr. Morgan

NAYS: None

ABSENT: None

There was no further business; therefore, the meeting was adjourned.