

**MINUTES OF THE
SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY – EAST
BOARD MEETING
THURSDAY, FEBRUARY 8, 2007**

The Southeast Louisiana Flood Protection Authority - East (Authority) Board Meeting was held on Thursday, February 8, 2007, at the Lake Vista Community Center, 6500 Spanish Fort Boulevard, New Orleans, Louisiana, after due legal notice of the meeting was sent to each member, the news media and posted.

The meeting was called to order at 9:35 a.m. by President Jackson, who then led in the pledge of allegiance. The roll was called and a quorum of the Board was present.

Present:

Thomas L. Jackson, President
Abril B. Sutherland, Vice President
John M. Barry, Secretary
Timothy P. Doody, Treasurer
David P. Barnes, Jr.
Stradford A. Goins
Larry A. McKee
Ricardo S. Pineda
Sara Lee St. Vincent
Louis E. Wittie

Absent:

George Losonsky, Ph.D.

President Jackson welcomed and introduced Mr. Ricardo S. Pineda, the newest member of the Board. He commented on a recent meeting that he and Mr. Barry had with Assistant Secretary of the Army John Paul Woodley, wherein Secretary Woodley agreed that the definition of partnering included full and trusting disclosure, including decisions from the planning process down to details, such as factor of safety used in design. A full explanation of the proposed funding reallocation was received, and Secretary Woodley and Colonel Bedey were asked if the Authority would be allowed to meet with the U.S. Army Corps of Engineers (USACE) to review each and every proposed project that will be set aside as a result of the reallocation, so that it could assess the impact to its constituency. He announced a check for approximately \$92,000 was received from Treasurer Kennedy, and recognized Mrs. Pat Jackson, who will be serving as President Jackson's assistant on a full volunteer basis.

RESOLUTION #02-08-07-001 Agenda

Mr. Doody requested that Agenda Item 10 under New Business be deferred until the matter could be further reviewed, and no objection was offered.

On the motion of Mr. Doody,

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

“A resolution to approve and accept the agenda, as amended, for the Board Meeting of February 8, 2007.”

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

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

RESOLUTION #02-08-07-002 Minutes

On the motion of Mr. Doody,

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

“A resolution to approve and accept the minutes for the Board Meeting of January 10, 2007 and the minutes for the Board Meeting of January 26, 2007.”

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

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

President Jackson recognized New Orleans City Councilmember Shelly Midura.

On behalf of the citizens of New Orleans, Councilmember Midura thanked the members of the Board for their service, and offered the Authority the assistance of her office. She requested further information regarding the closure of Lakeshore Drive due to safety concerns and lack of lighting and inquired about a timeline for the street repair.

President Jackson commented on the public’s mandate to the consolidated Authority to focus on flood control. Meetings have been held on the complex process and issues involved in separating flood and non-flood assets. The non-flood assets, while remaining the property of the Orleans Levee District (OLD), will be administered by the Division of Administration (DOA), and Councilmember Midura was referred to DOA Assistant Secretary Jean Vandal.

The Oath of Office was administered to Mr. Ricardo S. Pineda.

Assistant Attorney General Denise Fitzgerald provided a presentation on Act 1, which created the East and West Authorities. Ms. Fitzgerald explained the Authority is also a levee district. The position on the MRGO dictated by Act 1 was read and the territorial jurisdiction was reviewed. Ms. Fitzgerald further explained the makeup of the Board members, the selection process used by the nominating committee, the appointment process and the filling of vacancies. Terms of members, a quorum, voting requirements, ethical restrictions, powers and duties, bylaws, and the adoption of rules and regulations relative to a comprehensive levee system were reviewed and discussed. Ms. Fitzgerald was requested to continue the second part of the presentation at the next meeting.

The Board then proceeded with New Business.

NEW BUSINESS:

1. RESOLUTION #02-08-07-003 - Travel for Authority Business Authorized

The Board briefly discussed the expense report to be used, and President Jackson clarified the report will require each member to state the purpose of his/her business/activity on behalf of the Authority.

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

Whereas, R.S. 38:330.1 L. provides that each member of the Southeast Louisiana Flood Protection Authority – East (“the Authority”) shall receive “a per diem equal to the rate allowable for per diem deduction under Section 162(h)(1)(B)(ii) of Title 26 of the United States Code for its official domicile during their attendance at meetings of that body. In addition to the per diem, each member shall be paid a mileage allowance for going to and from meetings and for other travel authorized by the board [the Authority] equal to the rate established as the standard mileage rate for business travel for purposes of Section 162(a) of Title 26 of the United States Code.”

Whereas, members of the Authority have been, and it is apparent that in the future they will be, frequently required to attend meetings of committees of the Authority and with legal counsel regarding legal matters related to assets and liabilities of the levee districts within the jurisdiction of the Authority and the operations of the Authority as well as meetings with federal, state and local elected and appointed officials and with employees of the levee districts within the jurisdiction of the Authority;

Whereas, most of Authority related business involves travel to locations in the State of Louisiana, sometimes from outside of the State of Louisiana by two of the members of the authority;

Whereas, travel by the members of the Authority often involves significant mileage because of the distance or the frequency of the need for travel, or both;

Whereas, no means of transportation is provided to the members of the Authority for such travel; now therefore be it

Resolved:

1. That each member of the Southeast Louisiana Flood Protection Authority (“the Authority”), shall be paid a mileage allowance for travel going to and from their residence or customary place of business to special and regular meetings of the Authority equal to the rate established as the standard mileage rate for business travel and for purposes of Section 162(a) of Title 26 of the United States Code in addition to the per diem equal to the rate allowable for per diem deduction under Section 162(h)(1)(B)(ii) of Title 26 of the United States Code for its official domicile during their attendance at the special and regular meetings of the Authority.

2. That the travel of each member of the Authority going to and from their residence or customary place of business to participate in the following Authority business activities within the State Louisiana is hereby authorized without further action by the Authority:

- a) Meetings of committees of the Authority;
- b) Meetings with federal, state or local elected or appointed officials;
- c) Meetings with employees of levee districts within the jurisdiction of the Authority;
- d) Meetings with legal counsel regarding legal matters related to assets and liabilities of the levee districts within the jurisdiction of the Authority or related to the operations of the Authority;
- e) Conduction of Authority business at the domicile or branch office of the Authority; and
- f) Levee School sessions;

3. That each member of the Authority shall be paid a mileage allowance equal to the rate established as the standard mileage rate for business travel and for purposes of Section 162(a) of Title 26 of the United States Code for travel going to and from their residence or customary place of business to participate in the Authority business activities within the State Louisiana related business for which travel was authorized in paragraph number 2. above; and

4. That appropriate expense reports be submitted detailing expenses incurred, including receipts for other travel expensed and purpose of the incurred expenses; and

5. That specific authorization for payment by the Authority of mileage and travel expenses for Authority business activities not listed in paragraph number 2. above shall be required and may be made retroactively under appropriate circumstances.

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

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

2. RESOLUTION #02-08-07-004 - SLFPA-E Scheduling Regular Monthly Meetings

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

“A resolution authorizing the scheduling of the Southeast Louisiana Flood Protection Authority-East Regular Board Meeting on the 3rd Thursday of every month beginning at 9:30 a.m.”

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

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

3. RESOLUTION #02-08-07-005 Support Only for Full Federal Funding for Flood Control Projects and Opposition Of Federal Funding for Flood Control Projects.

The motion was offered by Mr. Doody and seconded by Mr. Goins for discussion.

The circumstances prompting the resolution were briefly explained; i.e., the U.S. Army Corps of Engineers' (USACE) proposal to reallocate existing authorized funding of \$1.3 billion to different projects, which would require Congressional approval. A vital project on the west bank of the Mississippi River, outside of the East Authority's jurisdiction, cannot proceed because of insufficient funding; therefore, a proposal was made to transfer \$1.3 billion from projects on the east bank. A general list was received on the type of projects that would be effected; however, no specifics were provided as to where those projects were located or the impact on East Authority's jurisdiction. The USACE advised the transfer of funds could be accomplished easily through the Congress; however, a request for new funds would present a problem. The USACE has not completely received the tidal surge predictions that were to be completed in February, and are now anticipated to be completed in April, for the 100 year event; therefore, the money required to build all levees in the jurisdictions of the East and West Authorities to the 100 year level cannot be clearly defined. This is a strategy issue—whether the Congress should be requested to reallocate \$1.3 billion of previously authorized funding, which seems to be the number necessary to keep the west bank project moving, and defer some of the east bank work, some of which is not ready to be bid during this fiscal year, and go back to the Congress just one more time for all the money that will ultimately be needed, or attempt to request additional funding of \$1.3 billion from the Congress in this budget.

President Jackson felt the Board has a responsibility to look at the individual projects in the three levee districts that will be deferred and what that deferral would mean in terms of real hurricane protection. The issue before the Board was what position should it take, if any, prior to meeting with the USACE and looking at the details of those individual projects.

Mr. Barry advised the USACE knows more funding will ultimately be required and will support such a request. In the short term, a supplemental appropriation is likely to be moving in the Congress in March in which authority could be provided to transfer funds, or Congress may provide additional funds. In the meantime, the regular appropriations process will be proceeding as the year goes on, and the USACE should have good numbers on how much money will be needed that can be injected into that process before it is over.

President Jackson distributed a certified copy of a resolution passed by the Jefferson Parish Council relative to this issue.

Mr. Doody felt this placed the Authority in a terrible position, since it is responsible to east bank residents, but also ultimately responsible for residents of entire area. The funding reported to be effected is for the permanent pumping stations and selective armoring. He questioned how far would this reallocation advance the west bank project and whether the refunding of those projects on the east bank could be compromised due to unforeseen circumstances.

Mr. Barry pointed out a second issue is that of USACE reform. Currently, the USACE has almost no flexibility to move money from one project to another. The Authority is a regional board because it has been recognized that an integrated regional program is necessary. The USACE is also attempting to look at water projects in an integrated way and address regional problems, as opposed to one project at a time; however, the way Congress appropriates money prevents them from doing that. Mr. Barry advised he supported more flexibility for the USACE, with one person in charge and accountable, adding, however, to be accountable the person in charge must be able to look at and integrate the different programs, as opposed to having a different contract officer for each project. Further, he did not support the original USACE proposal to shift money as reported in the news media; however, he did support the proposal referenced in Map 3. He felt the USACE proposal advanced to the Congress does not provide protection to the entire region to the pre-Katrina authorized level even with the reallocation, and that Map 3 provides at least pre-Katrina protection to the entire region, including the building of floodgates closing off the Inner Harbor Navigation Canal (IHNC).

President Jackson supported the USACE having more flexibility in completing this huge project; however, he reiterated the Board had a responsibility to know the specifics and understand the impact on its jurisdiction.

The Board further discussed the strategies proposed; i.e., support for the request for reallocation of funds at this time with a subsequent request for full project funding when costs are clearly defined vs. request for additional project funding at this time. The Board also discussed the possible risks involved in later requesting the Congress to re-appropriate monies to those projects for which previously authorized monies have been transferred elsewhere, the importance of the various east and west bank projects in question, whether the Board had the authority to support a reallocation of funds from east bank to west bank projects, and whether the Board was in a position to take a formal position at this time.

Mr. Barry offered a substitute motion to state support only for full Federal funding for Flood Control Projects and adequate flexibility necessary for the U.S. Army Corps of Engineers to most rapidly and efficiently complete these Projects, which was seconded by Mr. Doody for discussion. The substitute resolution was then read.

The Board briefly discussed USACE reform, flexibility and accountability.

Mr. Doody offered a motion to table discussion on this matter until after the USACE presentation, which was seconded by Mr. McKee, and unanimously approved.

President Jackson advised the Board would then meet in Executive Session on the litigation issues listed on the agenda. The Board convened in Executive Session at 11:55 a.m.

The Board reconvened at 2:00 p.m. and President Jackson called the meeting back to order. He advised that in the Executive Session the Board concluded action was required on two issues, which would require amendment of the agenda.

Mr. Doody offered a motion to amend the agenda to add a motion to authorize the engagement of Frank Milanese, Esq., on behalf of the SLFPA-E to represent its interests in the matter of the Belle of Orleans, USDC SDAL-06-0017 and CDC 06-283, subject to the approval of the Attorney General's Office, and a motion to authorize the trial counsel of Gordon, Arata to enter into settlement negotiations and to settle with the plaintiffs in the matter of Fried V. Orleans Levee District, CDC-03-19794, up to the amount recommended by Gordon Arata in Executive Session, and the President to sign any and all documents necessary to effect the settlement. The motion to amend the agenda to include these two additional motions was seconded by Mr. Goins and unanimously adopted.

The Board then proceeded with the presentation by the USACE Operations Division.

Ms. Amy Powell, USACE Assistant Operations Manager, explained she and Project Engineer Karen Oberlies are civil engineers managing the Inspection of Completed Works (ICW) Program and technical liaisons to the levee districts and the Louisiana Department of Transportation and Development (LA DOTD) for operations and maintenance matters. The ICW Program's primary missions are the inspection of completed projects and the flood control permits program. She reviewed the operations and maintenance guidance provided under Title 33 of the Code of Federal Regulations regarding federal flood control projects, and explained the Federal Flood Control Permits Program and the rolls of the levee districts, LA DOTD and the USACE in the joint agency permitting process.

Mr. Raymond Newman explained, in addition to being assigned to the USACE's Operations Division, he serves as the Canal Captain for the 17th Street Canal during hurricane season. Mr. Newman briefed the Board on the operations aspects of the interim closure (gated) structures at the three outfall canals. The current and anticipated pumping capacity at each structure was reviewed. He noted a Manual of Operations, which will be updated to include the winch installation, had been distributed so that the levee districts would be knowledgeable about how the USACE will operate the structures. Mr. Newman discussed the safe canal elevations and the decision process and plan for lowering the gates. The USACE will be responsible for operation of the structures; however, security support may be requested from the levee district. The notification network and the rolls of the structure team and the canal captain were reviewed and discussed. The State Police-LA Office of Emergency Preparedness radio system will be used for communications, backed-up by satellite and cell phones. The hydraulic winch systems are anticipated to be ready for service on all three structures by the end of March; the cranes will remain as backup. The USACE will use contract divers to clear gate sills. Mr. Newman described the coordination that will take place between the USACE and Sewerage & Water Board to maintain the safe water elevation. He described the SCADA (Supervisory Control and Data Acquisition) system, which is a computer system that can monitor various parameters of the equipment. Previously conducted drills and lessons learned were briefly discussed. Mr. Newman also touched on the schedule for the permanent pumping stations at the outfall canals.

Lt. Colonel Murray Starkel, Deputy District Commander for the New Orleans District, was asked about the proposed reallocation of funding that was designated for the permanent pumping stations. Colonel Starkel explained the project is still in the conceptual phase and the USACE is not now able to award a contract, which makes it a good candidate for the moving of money to areas and contracts for which the USACE has designs and are ready to award. Although funding would remain, with the reallocation the USACE could not go to a construction award contract in the second quarter of 2008, as was previously shown, unless there is a further action by Congress. He explained the pre-construction activities in a civil works design-build

project includes environmental compliance and the difficulty of laying out of alternatives. With the reallocation, \$110 million would remain to do a lot of the pre-construction activities; however, with additional funds through further action by Congress, the USACE might be able to meet the milestones that were laid out in the schedule. The USACE typically must award fully funded construction contracts; however, a design-build contract may be cost-plus or cost-reimbursable and have more flexibility. Also, a piece of the money provided under the Fourth Supplemental Act for raising levees and floodwalls to the 100 year elevations could not be used at this time because those elevations have not yet been finalized and there are no design specifications.

Mr. Mike Stout, USACE Tree Removal Team Leader, presented a status of the tree removal program. He indicated the areas that have been cleared; i.e., the interior of the three outfall canals, the East Jefferson and New Orleans lakefront, and the City Park side of the Orleans Outfall Canal. The Orleans Levee District has granted a right-of-entry along the London Avenue Outfall Canal and letter notifications will go out tomorrow to property owners; therefore, this work is anticipated to commence in a couple of weeks and be completed in time for the next hurricane season. Within the next couple of weeks the USACE will be requesting a right-of-entry for the next area of work, which is along the 17th Street Outfall Canal. Mr. Stout explained the problems and difficulties that can be caused by trees and their root systems.

Mr. Michael Lowe, Emergency Manager for the USACE New Orleans District, presented information on emergency operations. He explained the main systems are the hurricane flood protection and river flood protection systems and described their features. He emphasized the partnership with the levee districts in emergency operations, explaining the process for response and local responsibilities. The trigger points and activities involved in high water conditions in the Mississippi River were reviewed and discussed.

The Board returned to the substitute motion that was tabled under Item No. 3 - New Business.

Colonel Starkel distributed a handout containing the list of projects involved in the \$1.3 billion reallocation proposal, which corresponded to Map 2 of the three maps. He clarified, relative to Map 3, additional money could not be applied at this time because the USACE is still working towards the 100 year elevations. However, the current proposal, with further definition of costs and 100 year estimates, could be made better by a combination of line items in the Fourth Supplemental Appropriation. The USACE was unable to make a compelling argument with the Administration to the Congress for the third map because it was too premature on the design specifications and cost estimates. He pointed out on Map 1 the areas that the USACE would not be able to work with and award contracts without the proposed reallocation because of insufficient funding based on current designs and the market. The reallocation proposal would move money from the Fourth Supplemental Act into the Third Supplemental Act. The USACE is targeting completion of the 100 year modeling by April, with subsequent reliable cost estimates by July, which can then be expressed by the USACE with the Administration to the Congress and the Congress may act on an additional appropriation, or it may be acted upon via a Presidential budget request or some other vehicle with the Congress.

Colonel Starkel interpreted the mandate given to the USACE by the Congress through the Third and Fourth Supplemental Acts as providing the 100 year level of protection to the metropolitan New Orleans area; specifically, Lake Pontchartrain and Vicinity, and West Bank and Vicinity. However, the appropriation of money is a separate process, and the USACE must demonstrate to the Congress in a more compelling way, with better defined designs and cost estimates, confidence in the numbers when requested. The initial estimates for the 100 year level of protection which were provided after Hurricane Katrina were rough numbers because of time and various other issues involved. He further described some of the work that the USACE would proceed with under the reallocation.

Mr. Barry pointed out the opportunity to give the USACE the flexibility it needs to act in the most effective and efficient manner and to develop this as a prototype project.

Mr. Bob Turner, Lake Borgne Basin Levee District Director, expressed his concern with the current situation shown on Map 1 relative to the Caernarvon levee. Mr. Turner stated he had previously been told funding existed to bring that portion of levee to at least the pre-Katrina authorized height. He felt looking at the situation from a system approach is essential; however, the proper funding must be in place to complete the system in order for it to work. He expressed concern relative to the guarantee of available funding and the possibility of the districts having to be at odds with each other should the entire funding not be put in place or available. He was further concerned about a possible situation at some point in time where local matching funds would be required, and should some of the funding be diverted into other areas, when the new funds come on board, the districts may have to have local matching funds.

Mr. Stevan Spencer, Orleans Levee District Director, felt the original resolution provided more control over work as directed, and concurred with Mr. Turner relative to the cost share concern.

Ms. Fran Campbell, East Jefferson Levee District Director, agreed with the comments of the previous levee district directors, adding they have work that is critical and are concerned that by the time funding is provided, especially with the sizeable costs of these projects, it may not be federally funded 100 percent and the levee districts would not have the local matching share. She felt now would be the time to fully fund the projects that should have been previously funded.

President Jackson called the question on the substitute motion, which failed with Messrs Barnes, Barry, Pineda and Wittie voting yea, and Messrs McKee, Doody, Goins and Jackson voting nay.

President Jackson prefaced the vote on the original motion by stating the Board is not in any way attempting to diminish the needs of the West Bank of Jefferson Parish. It is speaking to represent not only the dire need of its own constituency, but to urge the President and the Congress to allocate funding to immediately begin work on the west bank of Jefferson Parish and to fully fund all of the east bank projects, and that the Corps of Engineers work as fast as possible to get any and all hurricane protection projects under way to the 100 year level.

The question was called on the original motion.

On motion of Mr. Doody

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

Whereas, the Southeast Louisiana Flood Protection Authority-East ("the Authority-East") has been advised that the Administration of United States President George W. Bush is requesting that the United States Congress reallocate \$1.3 billion of federal funds appropriated in the 4th FY06 Supplemental Act (PL109-234, June 15, 2006) to activities authorized and funded in the 3rd FY06 Supplemental Act (PL 109-148, December 30, 2005) for flood control projects within the jurisdiction of the Authority-East to fund flood control projects outside of the jurisdiction of the Authority-East ; and

Whereas, the \$1.3 billion of federal funds at issue were appropriated in 2005 for projects that are crucial to flood control for the protection of hundreds of thousands of residents in the Authority-East jurisdiction, *i.e.*, approximately six (6) categories of vital ongoing flood control projects for repairs of failed levees and floodwalls as well as obviously needed improvements to the flood control system in the Southeast Louisiana Flood Protection Authority-East jurisdiction, including levee armoring and building permanent pumping stations at Lake Pontchartrain;

Whereas, the funded projects in the Authority-East jurisdiction would bring the hurricane protection system merely to pre Katrina authorized levels, promised by the Congress immediately following hurricane Betsy in 1965 and not to Hurricane 5 protection; and

Whereas, at a bare minimum, the hurricane protection system for Southeast Louisiana must provide protection for a 100 year event, not just pre Katrina authorized levels; and;

Whereas, based on the information made available to the Board of the Authority-East, the projects in the Authority-East are underfunded or will be underfunded at the time of construction; and

Whereas, historically federal flood control projects in Southeast Louisiana have been underfunded and have not been completed as projected; and

Whereas, reallocation of money from these urgently needed flood control projects in the jurisdiction of the Authority-East will not resolve budget shortfalls for federal flood protection projects on either the east or west banks of the Mississippi River in Southeast Louisiana; and

Whereas, the only equitable solution to the underfunding of federal flood control projects outside the jurisdiction of the Authority-East is additional appropriations for full funding for all federal flood control projects in Southeast Louisiana including additional funding for the projects now known, based on information made available to the Board of the Authority-East, to be underfunded; now therefore be it

Resolved,

That the Southeast Louisiana Flood Protection Authority–East is strenuously opposed to reallocation of any federal funds from any flood control projects in Southeast Louisiana that are presently funded, whether underfunded or not; and

That the Southeast Louisiana Flood Protection Authority – East vigorously urges the United States President and Congress to allocate all additional funds required to complete all federal flood control projects on the east and west descending banks of the Mississippi River to provide a minimum 100 year protection to Southeast Louisiana, and at the same time grant greater flexibility to the United States Army Corps of Engineers in performing the federal flood control projects in the jurisdiction of the Authority-East bank.

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

YEAS: Mr. Barry, Mr. Doody, Mr. Goins, Mr. McKee,
Mr. Pineda and Mr. Wittie
NAYS: Mr. Barnes
ABSENT: Mr. Losonsky
Motion carried.

4. RESOLUTION #02-08-07-006 - EJLD Auto Liability and Physical Damage

President Jackson explained items 4 and 5 are after the fact authorizations, as it was necessary to execute these documents or the EJLD would have been left without coverage.

EJLD representatives advised the district has approximately 70 motorized vehicles and several semi-trailers and trailers in its fleet, and explained the difficulties involved in shopping the market and obtaining insurance coverages since Hurricane Katrina, as well as the problems causing the last minute final negotiation of this coverage. Due to the premium cost Mr. Doody asked that alternatives be sought for future coverage.

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

“A resolution to accept the proposal for auto liability and physical damage insurance presented to the East Jefferson Levee District by Redland Insurance Company for coverage to be effective February 1, 2007 with an annual premium of \$209,152.00.”

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

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

5. RESOLUTION #02-08-07-007 - Property Insurance Coverage - EJLD

An EJLD representative explained wind damage coverage is provided under the policy with Citizens and other property coverages are provided under the policy with Chubb; flood coverage is not provided under these policies.

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

“A resolution to accept the proposal for property insurance on the three buildings owned by the East Jefferson Levee District presented by Chubb Custom Insurance Company and Louisiana Citizens Insurance Company to be effective February 1, 2007 with an estimated annual premium of \$11,650.75.”

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

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

6. RESOLUTION #02-08-07-008 - Accident and Health Insurance Coverage - EJLD

An EJLD representative advised coverage is provided for approximately 20 volunteer reserve police officers who do not qualify for Worker's Compensation Insurance Coverage.

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

“A resolution to accept the accident and health insurance coverage for East Jefferson Levee District Reserve Officers as presented to the East Jefferson Levee District by Ace Insurance Company which provides Accidental Death and Disability with a limit of \$10,000.00, Medical Expense with a limit of \$25,000.00 with an annual aggregate limit of \$250,000.00 effective March 6, 2007 with an estimated annual premium of \$2,000.00.”

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

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

7. RESOLUTION #02-08-07-009 – OLD Life Insurance Coverage Extension

OLD representatives explained approximately 155 employees / 60 retirees and the OLD each pay half the premium cost of 55 cents per thousand dollars of coverage. Mr. Doody felt the premium cost was high and that the coverage should be competitively bid. Since he did not wish this benefit to terminate, he offered a friendly amendment to extend the life insurance coverage for the month of March, receive competitive bids during that time, and that the bids be reviewed and voted on at the next meeting, which was accepted by the Board.

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

“A resolution to approve a one month extension of the current life insurance coverage for employees and retirees of the Orleans Levee District at the current rate with Guardian Life Insurance for the month of March, 2007, during which time competitive bids will be received, and reviewed and acted upon at the next meeting of the SLFPA-E.”

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

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

8. RESOLUTION #02-08-07-010 - OLD – Cooperative Endeavor Agreement with USACE

President Jackson recommended the motion be adopted in the event it is required; however, the resolution may not have to be effected. This resolution addresses the USACE's concern relative to the lakefront levee lifts and the possible stockpiling of spillway spoil materials due to spring floods.

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

“A resolution authorizing the President of SLFPA East to execute any and all documents related to new Cooperative Endeavor Agreements with USACE, after review and approval by SLFPA-East counsel and DOTD, including but not limited to authorization to temporarily place fill in contemplation of future projects within the jurisdiction of the Orleans Levee District, and future 100 year level projects.”

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

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

9. RESOLUTION #02-08-07-011 - Orleans Levee District Comptroller

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

“A resolution authorizing the President of SLFPA East to hire a Comptroller for the Orleans Levee District.”

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

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

10. Motion to approve submittal of the Special Entrance Rates Policy (SER) for Orleans Levee District Maintenance Department positions to the LA Department of Civil Service and the implementation said policy upon approval of Civil Service.

Motion deferred.

11. RESOLUTION #02-08-07- 012 - Special Meeting - Lake Borgne Basin Levee District Issues

Mr. Doody requested the Authority's support in pushing forward projects that are very important to St. Bernard Parish and cited examples of some of the important pending issues. President Jackson felt these issues were critical and of such a time sensitive nature that a special meeting was necessary to focus on them. The Board was further advised that the meeting would be held on February 28, in lieu of March 1.

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

“A resolution authorizing Southeast Louisiana Flood Protection Authority-East to hold a Special Meeting on February 28, 2007 to address Lake Borgne Basin Levee District issues.”

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

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

12. RESOLUTION #02-08-07-013 - Agreement for the Lake Borgne Basin Levee District and Southeast Louisiana Flood Protection Authority-East Replacement of Immovable Equipment

In order to be consistent with the prior motions, a friendly amendment was offered to correct the language such that the President is the only signatory. This equipment is needed at the pump stations, and the agreement will be reviewed by the attorney for the LBBLD.

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

“A resolution authorizing the Memorandum of Agreement for the Southeast Louisiana Flood Protection Authority-East and the Lake Borgne Basin Levee District for the replacement of 3 items of equipment (Exhibit A), that were damaged beyond repair in the aftermath of Hurricane Katrina. The U.S. Army Corps of Engineers will replace said equipment subject to obtaining this agreement from the Levee District provided said equipment/machinery is declared to be immovable”.
WHEREAS, a Declaration of Immobilization (Exhibit B) will be signed by the President, Thomas Jackson, of the Southeast Louisiana Flood Protection Authority-East declaring said equipment to be immovable and will not be transferred or removed without prior written approval from the U.S. Army Corps of Engineers”.

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

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

NAYS: None
ABSENT: Mr. Losonsky
Motion carried.

13. RESOLUTION #02-08-07-014 – SLFPA-E Engagement of Frank Milanese, Esq.

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

“A resolution authorizing the engagement of Frank Milanese, Esq., on behalf of the Southeast Louisiana Flood Protection Authority-East to represent its interests in the matter of the Belle of Orleans, USDC SDAL-06-0017 and CDC 06-283, subject to the approval of the Attorney General’s Office.”

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

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

14. RESOLUTION #02-08-07-015 – Settlement Negotiations in the matter of Fried v. OLD

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

“A resolution authorizing the trial counsel of Gordon, Arata to enter into settlement negotiations and to settle with the plaintiffs in the matter of Fried v. Orleans Levee District, CDC-03-19794, up to the amount recommended by Gordon Arata in Executive Session, and the President to sign any and all documents necessary to effect the settlement.”

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

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

President Jackson announced the East Authority’s regular meeting would be held on February 15, 2007, tentatively scheduled for 9:00 a.m. at the East Bank Council Chambers.

President Jackson called for comments from the public.

Ms. Monique Edwards, Executive Counsel to the Department of Natural Resources, reported the first organizational meeting of the Southeast Louisiana Flood Protection Authority-West will be held on Friday, February 23rd at 9:30 a.m. at the West Jefferson Offices.

There was no further business and the meeting was adjourned at 5:00 p.m.