

**MINUTES OF THE
SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY–EAST
BOARD MEETING
THURSDAY, MARCH 16, 2017**

The regular monthly Board Meeting of the Southeast Louisiana Flood Protection Authority-East (Authority or SLFPA-E) was held on March 16, 2017, in Meeting Room 201 of the Orleans Levee District Franklin Avenue Administrative Complex, 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. Luettich called the meeting to order at 11:00 a.m. and led in the pledge of allegiance. Mr. Kemp called the roll and a quorum was present:

PRESENT:

Richard A. Luettich, Jr., Vice President
G. Paul Kemp, Secretary
Mark L. Morgan, Treasurer
Clay A. Cosse'
Andrew J. Englande
Herbert I. Miller

ABSENT:

Lambert J. Hassinger, Jr., President
Quentin D. Dastugue
Jason P. Latiolais

ADOPTION OF AGENDA:

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

**RESOLUTION NO. 03-16-17-01 –
APPROVAL OF FEBRUARY 16, 2017 BOARD MEETING MINUTES**

On the motion of Mr. Morgan,
Seconded by Mr. Kemp, the following resolution was offered:

BE IT HEREBY RESOLVED, that the Southeast Louisiana Flood Protection Authority-East approves the minutes of the Board Meeting held on February 16, 2017.

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

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

NAYS: None

ABSENT: Mr. Dastugue, Mr. Hassinger and Mr. Latiolais

OPENING COMMENTS:

Mr. Luettich advised that he was chairing today's meeting because Mr. Hassinger was out of town giving a presentation at a professional conference. He informed the Board about several changes in personnel. Nick Cali, formerly the Executive Director of the Lake Borgne Basin Levee District (LBBLD), has transferred to the Flood Protection Authority-West to serve as its Director of Operations. He commented that the transfer will benefit Mr. Cali's career and that he wished him well. Mr. Luettich welcomed Kerry Najolia who was appointed SLFPA-E Police Superintendent on March 1st, replacing the recently retired Police Superintendent Robert Garner. Chief Najolia retired from the Jefferson Parish Sheriff's Office after 34 years of service and was serving as SWAT Commander and Training Director at the time of his retirement. Chief Najolia stated that he looked forward to serving with the levee districts' police personnel.

Mr. Luettich welcomed and recognized Jesse Noel, the newly appointed Director of the Non-Flood Protection Asset Management Authority (NFPAMA). Mr. Noel advised that he is a licensed civil engineer and that for the past two years he served as the Director of Operations for the Flood Protection Authority-West. He stated that he looked forward to building a strong relationship between the Flood Protection Authority and the NFPAMA.

Mr. Luettich noted that today's meeting would normally have been held in St. Bernard Parish. However, the meeting had to be moved to the Orleans Levee District Franklin Avenue Complex due to technical equipment problems in the Council Chambers at the St. Bernard Parish Government Complex.

Each month the Board recognizes an employee of the Authority who exhibits outstanding public service. Mr. Luettich recognized Peter Bauer, LBBLD Operating Engineer Superintendent. Mr. Bauer is in charge of all Pump Station personnel and operations, and took on the responsibility of supervising the levee crew after the departure of the LBBLD's levee foreman in 2015, essentially making him responsible for all field operations at the levee district. He joined the LBBLD as a Pump Station Operating Engineer on August 5, 1999, and over the past 17 years developed a comprehensive understanding of virtually all aspects of flood protection in St. Bernard Parish. A veteran of numerous storms, including Katrina, Rita and Isaac, as well as countless heavy rainfall events and high river events, Mr. Bauer's easy going demeanor and positive attitude are a testament to his leadership ability. In the years since Hurricane Katrina, he was heavily involved in the reconstruction of the damaged Pump Stations and the construction of the St. Bernard portion of the HSDRRS, providing valuable input about the function and operations of the system from the non-federal sponsor's perspective. More recently, he played a critical role in the design of the Pump Station Engine Upgrades and Safe Rooms, as well as the repairs to the hydraulic pumps at Stations 2, 3 and 5. Mr. Bauer has been an invaluable employee, a great friend to all of the employees at the LBBLD, and his dedication and contributions have been critical to the success of the organization. Mr. Luettich thanked Mr. Bauer for all of his efforts and contributions to the LBBLD and the Authority, and presented him with a Certificate of Commendation.

Mr. Luettich provided updates on several on-going items. An Authority-wide employee survey was conducted about two years ago that provided good insight into employee concerns. A second Authority-wide employee survey was recently completed. The Authority's Human Resources (HR) Director and the Board are reviewing the results of the survey and will be determining a path forward to address the identified issues. In addition, President Hassinger has created an Organizational Culture Task Force that will attempt over the next several months to determine actions to address some of the identified issues. Participation is welcomed from Board members. The Authority is committed to demonstrating progress in addressing concerns and its responsiveness to what was learned through the survey.

The reorganization of the Authority, which is being led by President Hassinger and Vice President Luettich, was addressed. Mr. Luettich pointed out that staff has been heavily involved in the reorganization process. He expressed his appreciation for the energy and attitude that staff members have brought to this effort. The objective is to achieve efficiencies and make the Authority more effective. An Authority-wide staff meeting, which included all levee district employees, was held on March 9 to talk through the reorganization and obtain feedback. A method was set up to solicit additional feedback with eight employees providing feedback thus far. He encouraged participation by all employees, explaining that the reorganization will be accomplished in an adaptive way that includes listening and being responsive to the knowledge and skills contributed by all employees of the Authority. He thanked staff for their participation and willingness to assist with this effort.

Mr. Luettich thanked the Finance staff for the effort and hard work that has gone into the preparation of the Fiscal Year 2018 Budgets.

Mr. Luettich mentioned that the Authority now has a wonderful newsletter that is being distributed to employees Authority-wide and will be available to the general public via the Authority's website. He pointed out that the newsletter is an effective tool for communicating across the Authority and thanked the staff who contribute to this effort.

Mr. Cosse inquired about the development of a resolution for presentation at the Board's next meeting to brand the Authority as The Flood Protection Authority-East. Mr. Luettich commented that although the Authority could not change its name without Legislative action, potential action could be taken to formalize the branding of the Authority.

PUBLIC COMMENTS:

None.

COMMITTEE REPORTS:

Finance Committee: Mr. Morgan reported that the Finance Committee met prior to the Board meeting and considered the following items:

- FY 2018 Budgets – The Committee met on March 2nd to review the draft budgets and offered recommended adjustments. The Committee reviewed the final proposed budgets at today’s committee meeting.
- Investment Policy – The Regional Finance Director developed an investment policy for funds reserved for future major maintenance expenditures. The policy was developed to achieve the greatest return in accordance with statutory requirements and maintain required liquidity.
- Buildout of Airport Terminal Conference Facility – The Committee discussed the proposed motion placed on the Board agenda for the Orleans Levee District (O.L.D.) to pay the cost for the conference center buildout. The buildout is an upgrade to an asset (Lakefront Airport) owned by the O.L.D. and managed by the NFPAMA.
- Staff consolidation at O.L.D. – The Committee received an update. The process is moving forward in a logical and controlled manner to ensure long-term success.
- The Internal Auditor provided an update on the O.L.D. Non-Flood Assets. The Internal Auditor’s recommendations were reviewed and will be put in place by the NFPAMA.

Operations Committee: Mr. Miller reported that the Operations Committee met prior to the Board meeting. The Committee discussed the three items listed on the Committee’s agenda and voted unanimously to recommend that the Board approve the items.

Legal Committee: The Legal Committee did not meet during the month of March.

Coastal Advisory Committee: The Coastal Advisory Committee did not meet during the month of March.

REPORT BY REGIONAL DIRECTOR:

The Regional Director’s report is appended to the minutes. Robert Turner, Regional Director, discussed the following items:

- Scour hole at IHNC Surge Barrier – The scour hole was identified 12 to 18 months ago during a survey conducted using sonar. The survey was repeated recently and it was determined that the scour hole was deepening. The information was submitted to the U.S. Army Corps of Engineers (USACE). The USACE provided a report about two days ago that indicated that the wall is stable at the present time; however, it appeared that the scour hole had not reached equilibrium and would continue deepening and that a course of action would be needed. A determination has not been made as to whether the USACE will take the required action; therefore, the Authority would be working parallel with the USACE to ensure plans are in place should the hole become a problem or the stability of the wall becomes threatened. Authority staff will meet next week to determine a path forward in the event that the USACE does not receive approval to fix the problem. The current indication from the USACE is that the scour hole should not present a problem this year.

Bret Herr, USACE Project Manager, explained that Hurricane and Storm Damage Risk Reduction System (HSDRRS) features are turned over to local sponsors upon completion. After the features are turned over, local sponsors can submit a stress report to the USACE to report problems. The USACE received the Authority's stress report on the scour hole, along with the surveys, and analyzed the materials. He stated that the USACE determined that the wall is currently stable and that there are no issues at this time; however, no one wants to get to point where the scour hole presents a problem. The USACE is reviewing the situation to determine whether it is a Federal responsibility. Since the USACE issued the Notice of Contract Completion on the project, it does not have the authority to do the work at this time. The USACE is developing a report that is anticipated to be submitted to the Division Office by the end of the month requesting approval to fix the problem. He estimated that the Division Office's review and decision could take about a month. Mr. Herr stated that he cannot make any commitments at this time; however, he was hopeful that the USACE would be able to remedy the situation. If the USACE receives approval, its current plan is to use the in-house hire labor crew to perform the work.

Mr. Turner advised that the current plan is to enlarge the opening between the sheetpile wall that is perpendicular to the Surge Barrier and the barrier itself, place sand in the hole with geotextile fabric over the sand and armor stone on top of the geotextile fabric. The sheetpile wall serves as a barrier to prevent boats from using the access channel that was built to construct the Surge Barrier thus preserving the marsh. If the opening is widened, some type of device should be put in place to prevent boats from using the access channel.

- East Jefferson Levee District (EJLD) Levee Lifts – The levee lift projects (approximately 10 miles in length) are about 20 percent complete. The estimated construction cost is \$6 million and the projects are anticipated to be completed in July, 2017. The Authority is attempting to turn the levees over to the USACE as quickly as possible so that the armoring can begin. Unit price contracts were executed for the levee lift projects. The actual quantities are higher than the initial estimates due to settlement and the contractors' calculation of quantities using cross sections every 100 feet. Initial quantities were estimated using 2014 surveys to determine settlement and cross sections that were taken every 400 feet. The total increase in quantities for all three levee lift projects (LPV 00.2, LPV 01.1 and 02.2, and LPV 19.2 and 20.1) averages 13 percent with an average cost increase of about eight percent. Change orders to adjust the quantities upon completion of the projects will be presented for Board approval. The quantities provided by the contractors are subject to verification by the Authority.

Mr. Miller inquired about access during the armoring project and advised that a concern has been expressed by the public regarding this issue. Mr. Turner responded that access would continue to be cut off for a short period of time when the levees are turned over to the USACE for armoring and that access would be limited over the course of the armoring project. Based on current settlement rates, another lift is not anticipated to be needed for about ten years.

Mr. Kemp inquired about the stability of the levees being lifted. Mr. Turner advised that a stability analysis was performed on the ten mile stretch of levee taking into

account the additional material that would be placed on the levee. A procedure developed by the Coastal Projection and Restoration Authority's (CPRA) consultant allowed the Authority to use CPTs to calculate strength gains obtained since the construction of the levees. It was determined that the additional material would not present a stability problem. He pointed out that there would be a gain in strength as the materials consolidate.

REPORT BY EXECUTIVE COUNSEL:

Nyka Scott, Executive Counsel, provided the following report:

- The Legal Department is currently working on seven intergovernmental agreements.
- Outside counsel fees for the prior month total \$4,803.50.
- The NFPAMA will participate in arbitration next week relative to the funding request for the construction of the Lakefront Airport Floodwall. Wilma Heaton, SLFPA-E Director of Governmental Affairs and Chair of the NFPAMA, will testify at the arbitration. A ruling is expected in three to six months from the Civilian Board of Contract Appeals.
- Seven contracts have been completed over the past month.
- The permit for the Entergy New Orleans project at Michoud is currently on hold.
- The Cooperative Endeavor Agreement with the Division of Administration for the GoZone loan has been amended and the State was paid the monies owed to date.
- Responses were provided for two public records requests.
- Ms. Scott stated that she had a correction in regards to a governmental affairs issue. The Authority was originally told that the legislation to provide the ability to have an operations and maintenance fund in which all three levee districts would contribute was not going to be filed. She stated that she found out this morning that it most likely will be filed. The specific language, when received, will be circulated to the Board.
- The Fifth Circuit Court upheld the lower court's decision dismissing the Authority's claim relative to the litigation entitled, "*Southeast Louisiana Flood Protection Authority-East, et al. v. Tennessee Gas Pipeline Company, et al*". There is a 30-day period to appeal the decision. At its September 15, 2016 meeting, the Board adopted a resolution stating that the litigation should be allowed to continue to final judgment.

REPORT BY REGIONAL FINANCE DIRECTOR:

Kelli Chandler, Regional Finance Director, discussed Information Technology (IT) issues. As the regionalization process moves forward, one of the key factors and decisions for Finance staff will be selection of a system for the accounting function. Several options are available when looking at system packages that deal with issues such as structure setup (e.g., local server or host to host), which will be driven by the

Authority's IT infrastructure. She presented some of the Regional IT Director's anticipated projects, priorities and action items:

- Centralization of computing resources – Back-end processes and support will become centralized while front-end user support for each department will stay decentralized in order to meet user needs. The project is estimated to be completed in the fall of 2017.
- Network Assessment – The need for a network assessment has been identified in which a firm would be retained to review network traffic and determine peak times, bottlenecks and how to segment data within the network to allow for better flow. Network traffic becomes more important as the districts are connected and begin transferring large amounts of data. The project is estimated to be completed by the fall of 2017.
- Email consolidation – The O.L.D. currently uses an email utility called Global Capacity. The goal is to bring everyone on a cloud based system (Microsoft Office 365). At this time the Authority's account includes some NFPAMA email users. The Authority is working with the NFPAMA and the issue is anticipated to be resolved within about 30 days.
- Staffing Needs – A need has been identified to hire additional staff in moving forward.

Mr. Kemp pointed out that the most critical situation for the IT system would be a storm event during which communications must continue for emergency operations. Ms. Chandler advised that she and Roman Dody, Regional IT Director, have had several discussions relative to this type of issue and whether there is a need for backup facilities or additional servers hosted in locations even more distant than Baton Rouge.

NEW BUSINESS:

RESOLUTION NO. 03-16-17-02 - APPROVAL OF SLFPA-E FY 2018 BUDGET

Mr. Chandler explained that the Authority does not currently receive revenues and depends on reimbursement of its expenses by the levee districts. The proposed Fiscal Year (FY) 2018 Budget does not take into account the potential savings in rent should the Authority's offices relocate to the O.L.D.'s facilities. The Authority's total estimated expenses for FY 2018 are \$2.3 million. Mr. Morgan noted that the fund balance includes approximately \$6 million received from the BP Settlement.

On the motion of Mr. Morgan,
Seconded by Mr. Kemp, the following resolution was offered:

WHEREAS, the Southeast Louisiana Flood Protection Authority-East (SLFPA-E) has reviewed financial projections for Fiscal Year Ending June 30, 2018 for the Authority, including estimated operating revenues and expenditure; and

WHEREAS, funding in the following amounts is required as detailed by the line item budget for Fiscal Year Ending June 30, 2018:

**SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY-EAST
TWELVE MONTHS ENDING JUNE 30, 2018 BUDGET**

Revenues

Cost sharing allocation from affiliates	\$ 2,360,492
Interest Income	35,250
Total Revenues	\$ 2,395,742

Expenses

Personnel Services	1,800,176
Travel & Training	52,200
Professional Svcs	240,100
Contractual Svcs	195,100
Materials & Supplies	33,000
Cost Sharing	3,216
Other Charges	6,700
Equipment Purchases	30,000
Total Expenses	\$ 2,360,492

Excess of Revenues over Expenses **35,250**

Other Sources (Uses)

Litigation Proceeds	-
Total Other Sources (Uses)	-

Net Change in Fund Balance **35,250**

Unrestricted Fund Balance, Beginning **6,059,895**

Unrestricted Fund Balance, Ending **\$ 6,095,145**

WHEREAS, the SLFPA-E is mandated to submit an approved budget by April 1, 2017, to the Joint Legislative Committee on the Budget and other various oversight authorities.

WHEREAS, the Finance Committee at its meetings held on March 2 and March 16, 2017 reviewed and recommended approval of the SLFPA-E Budget for the Fiscal Year Ending June 30, 2018.

BE IT HEREBY RESOLVED, that the Southeast Louisiana Flood Protection Authority-East approves the Fiscal Year Ending June 30, 2018 Budget for the Southeast Louisiana Flood Protection Authority-East.

The foregoing was submitted to a vote, the vote thereon was as follows:
YEAS: Mr. Cosse, Mr. Englande, Mr. Kemp, Mr. Luettich, Mr. Miller and

Mr. Morgan
 NAYS: None
 ABSENT: Mr. Dastugue, Mr. Hassinger and Mr. Latiolais

RESOLUTION NO. 03-16-17-03 - APPROVAL OF LBBLD 2018 BUDGET

Ms. Chandler advised that the LBBLD’s expenses for FY 2018 are slightly greater than its revenues. The LBBLD is establishing an annual reserve in the amount of \$350,000 for major maintenance of the two complex structures under its jurisdiction, which is noted in the net fund balance. Mr. Morgan pointed out that the major maintenance reserve monies will not be moved into a special account as it may be needed for cash flow purposes. Mr. Luettich noted that the two complex structures under the LBBLD’s jurisdiction require major maintenance on a ten-year cycle that is estimated to cost in the range of three to five million dollars. The establishment of a reserve is an explicit effort to set aside monies in order to meet the major maintenance obligation and to accurately communicate the LBBLD’s expenses.

On the motion of Mr. Cosse,
 Seconded by Mr. Morgan, the following resolution was offered:

WHEREAS, the Southeast Louisiana Flood Protection Authority-East (SLFPAE) has reviewed financial projections for Fiscal Year Ending June 30, 2018 for the Lake Borgne Basin Levee District (LBBLD), including estimated operating revenues and expenditures; and

WHEREAS, funding in the following amounts is required as detailed by the line item budget for Fiscal Year Ending June 30, 2018:

**LAKE BORGNE BASIN LEVEE DISTRICT
 TWELVE MONTHS ENDING JUNE 30, 2018 BUDGET**

<u>Revenues</u>	
Tax Revenue	\$ 3,700,000
InterGovt Revenue	175,000
Interest Income	5,000
Miscellaneous Income	1,600
Total Revenues	\$ 3,881,600
<u>Expenses</u>	
Personnel Services	2,252,900
Travel & Training	800
Professional Svcs	103,500
Contractual Svcs	900,600
Materials & Supplies	317,500
Cost Sharing	255,000
Other Charges	113,500
Equipment Purchases	125,000

Total Expenses	<u>\$ 4,068,800</u>
Excess of Revenues over Expenses	(187,200)
<u>Other Sources (Uses)</u>	
Net Other Sources (Uses)	-
Total Other Sources (Uses)	\$ -
Net Change in Fund Balance	<u>(187,200)</u>
Net Position, Beginning	4,521,771
Net Position Ending	\$ 4,334,571
Reserve for complex structure maint & repair	350,000
NET FUND BALANCE	<u><u>\$ 3,984,571</u></u>

WHEREAS, the LBBLD is mandated to submit an approved budget by April 1, 2017, to the Joint Legislative Committee on the Budget and other various oversight authorities.

WHEREAS, the Finance Committee at its meetings held on March 2 and March 16, 2017 reviewed the LBBLD Budget for the Fiscal Year Ending June 30, 2018.

BE IT HEREBY RESOLVED, that the Southeast Louisiana Flood Protection Authority-East approves the Fiscal Year Ending June 30, 2018 Budget for the Lake Borgne Basin Levee District.

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

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

NAYS: None

ABSENT: Mr. Dastugue, Mr. Hassinger and Mr. Latiolais

RESOLUTION NO. 03-16-17-04 - APPROVAL OF O.L.D. FY 2018 BUDGET

Ms. Chandler explained that the O.L.D. has two funds: the General Fund and the Special Levee Improvement (SLIP) fund. The SLIP fund revenues are generated from the SLIP fund tax, which was approved by the voters of Orleans Parish. General maintenance is budgeted in the General Fund Budget and large construction projects are budgeted in the SLIP Fund Budget. There is a net gain in the O.L.D. General Fund of approximately \$450,000 and a net deficit in the SLIP Fund of approximately \$11.7 million for FY 2018, which is largely dependent on the timing of the turnover of HSDRRS projects by the USACE. She noted that the O.L.D. is in great shape financially. Should the investment policy be approved by the Board, a portion of the fund balance will be invested to maximize returns. The GoZone loan from the State has

been brought current using funding in the FY 2017 Budget. Thereafter the scheduled payments will be included in the budget for each fiscal year. The loan matures in 2030. The amendment of the FY 2017 Budget, which will include an adjustment for the GoZone loan payment, will be brought to the Board at a future meeting. The beginning fund balance for FY 2018 was adjusted to reflect the loan payment.

On the motion of Mr. Morgan,
 Seconded by Mr. Kemp, the following resolution was offered:

WHEREAS, the Southeast Louisiana Flood Protection Authority-East (SLFPA-E) has reviewed financial projections for Fiscal Year Ending June 30, 2018 for the Orleans Levee District (O.L.D.), including estimated revenues and expenditures; and

WHEREAS, funding in the following amounts is required as detailed by the line item budgets for Fiscal Year Ending June 30, 2018:

**ORLEANS LEVEE DISTRICT
 BUDGETS
 FOR FISCAL YEAR JULY 1, 2017 - JUNE 30, 2018**

	GENERAL FUND	SPECIAL LEVEE IMPROVEMENT FUND	COMBINED
REVENUES			
Ad Valorem Taxes	\$19,831,300	\$19,298,000	\$39,129,300
Intergovernmental Revenue	\$1,089,900		\$1,089,900
Mineral Revenue	\$198,000		\$198,000
Interest Income	\$269,796	\$530,000	\$799,796
Misc Revenue	\$138,000		\$138,000
Total Revenue	\$21,526,996	\$19,828,000	\$41,354,996
EXPENDITURES			
Personnel Services	\$12,064,230		\$12,064,230
Travel and Training	\$47,800		\$47,800
Professional Services	\$523,000	\$7,375,000	\$7,898,000
Contractual Services	\$2,453,150	\$20,018,200	\$22,471,350
Materials and Supplies	\$1,559,150		\$1,559,150
Cost Allocations	\$1,401,696		\$1,401,696

Other Charges	\$829,600	\$780,000	\$1,609,600
Equipment Purchase	\$1,065,100		\$1,065,100
TOTAL EXPENDITURES	\$19,943,726	\$28,173,200	\$48,116,926
Income Before Other Sources (Uses)	\$1,583,270	(\$8,345,200)	(\$6,761,930)
Litigation & Ins	(\$250,000)		(\$250,000)
Net Transfers	(\$883,271)	(\$3,333,456)	(\$4,216,727)
CHANGES IN FUND BALANCES	\$449,999	(\$11,678,656)	(\$11,228,657)
FUND BALANCES, BEGINNING OF YEAR	\$45,449,315	\$61,864,285	\$107,313,600
FUND BALANCES AT END OF YEAR	\$45,899,314	\$50,185,629	\$96,084,943

WHEREAS, the O.L.D. is mandated to submit an approved budget by April 1, 2017, to the Joint Legislative Committee on the Budget and other various oversight authorities; and

WHEREAS, the Finance Committee at its meetings held on March 2 and March 16, 2017, reviewed and recommended approval of the O.L.D. General Fund Budget for the Fiscal Year Ending June 30, 2018, and the Special Levee Improvement Fund (SLIP Fund) budget for that same fiscal year.

BE IT HEREBY RESOLVED, that the Southeast Louisiana Flood Protection Authority-East approves the Fiscal Year Ending June 30, 2018 General Fund and SLIP Fund Budgets for the Orleans Levee District.

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

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

NAYS: None

ABSENT: Mr. Dastugue, Mr. Hassinger and Mr. Latiolais

RESOLUTION NO. 03-16-17-05 - APPROVAL OF EJLD FY 2018 BUDGET

Ms. Chandler advised that the majority of the net deficit reflected in the EJLD FY 2018 Budget is for major construction costs (construction of the proposed EJLD safehouse and consolidate facility and lakefront levee lifts). The EJLD FY 2018 Budget has a surplus of \$500,000, exclusive of the major construction projects. The costs for the major construction projects will be paid using CDs that are being held by the EJLD.

On the motion of Mr. Morgan,

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

WHEREAS, the Southeast Louisiana Flood Protection Authority-East (SLFPAE) has reviewed financial projections for Fiscal Year Ending June 30, 2018 for the East Jefferson Levee District (EJLD), including estimated operating revenues and expenditure; and

WHEREAS, funding in the following amounts is required as detailed by the line item budget for Fiscal Year Ending June 30, 2018:

**EAST JEFFERSON LEVEE DISTRICT
TWELVE MONTHS ENDING JUNE 30, 2018 BUDGET**

Revenues	
Taxes	\$ 9,500,000
Intergovernmental	451,963
FEMA Grants	0
Charges for Service:	
Permits	25,000
Oil & Gas Royalties	0
Investment Income	450,000
Cost Sharing allocations from affiliates	0
Miscellaneous	1,000
Total Revenues	10,427,963
Expenditures	
Flood and drainage protection:	
Personal Services	5,194,599
Travel and Training	15,000
Professional Services	1,385,975
Contractual Services	11,329,575
Materials and Supplies	401,500
Cost Sharing	701,184
Other Charges	488,600
Equipment Purchases	764,022
Total Expenditures	20,280,455
Excess of Revenues over Expenditures	(9,852,492)
Estimated Beginning Fund Balance	36,745,409
Estimated Ending Fund Balance	\$ 26,892,917

WHEREAS, the EJLD is mandated to submit an approved budget by April 1, 2017, to the Joint Legislative Committee on the Budget and other various oversight authorities.

WHEREAS, the Finance Committee at its meetings held on March 2 and March 16, 2017 reviewed and recommended approval of the EJLD Budget for the Fiscal Year Ending June 30, 2018.

BE IT HEREBY RESOLVED, that the Southeast Louisiana Flood Protection Authority-East approves the Fiscal Year Ending June 30, 2018 Budget for the East Jefferson Levee District.

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

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

NAYS: None

ABSENT: Mr. Dastugue, Mr. Hassinger and Mr. Latiolais

RESOLUTION NO. 03-16-17-06 - APPROVAL OF SLFPA-E INVESTMENT POLICY

Ms. Chandler explained that much of the policy is taken from the Government Finance Organization's policy and that the policy complies with the statutory limitations relative to investments. The investment program will be laddered matching as best possible maturities with future cash needs. Only several months of operating expenses will be retained in the Louisiana Asset Management Pool (LAMP) account, which is basically a short term investment vehicle. Investment maturities will be diversified. Mr. Morgan commented that the objective is to achieve the greatest return possible, while staying within the statutory restrictions, for the benefit of the flood protection system.

Mr. Miller asked about expectations of Board members relative to notification concerning conflicts of interests. Ms. Chandler explained that she would provide Board members with periodic reports on the Authority's holdings. A process will be established so that members can report potential conflicts of interest. Ms. Heaton reminded Board members that the annual disclosure statements (tier 2.1) must be filed by May 15th.

On the motion of Mr. Morgan,
Seconded by Mr. Englande, the following resolution was offered:

WHEREAS, an Investment Policy has been developed for the Southeast Louisiana Flood Protection Authority-East and the levee districts under its jurisdiction in order to bring consistency to the investment methodologies utilized by the entities.

BE IT HEREBY RESOLVED, that the Southeast Louisiana Flood Protection Authority-East approves the SLFPA-E Investment Policy dated March 16, 2017.

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

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

NAYS: None

ABSENT: Mr. Dastugue, Mr. Hassinger and Mr. Latiolais

Discussion of Authority reorganization plan.

Mr. Luettich explained that the last step is being taken to move in the direction of a consolidated administrative structure for the Authority. The effort is a culmination of the efforts over the past several years to go from an Authority that served as an umbrella agency and three separate levee districts to a single Authority with regionally managed flood protection, as was actually legislated, in order to provide consistency, cohesiveness and effectiveness. He reviewed the high level organizational structure chart. The Board of Commissioners is located at the top of the new organizational structure with the President serving as the Chief Executive Officer (CEO) for the Authority with responsibilities as outlined in the Board's Bylaws. The two major divisions are the administrative and service activities, which are placed under the Chief Administrative Officer (CAO), and the engineering and operations functions, which are placed under the Director of Engineering. The new organizational structure no longer recognizes Executive Directors at each of the districts. The current Executive Directors will have roles under the new structure. The Legal Department, Governmental Relations, Administration for the Board and Internal Auditor will continue to function as they did prior to the restructuring. Derek Boese has agreed to fill the role of CAO and has been working with the Regional HR, IT and Finance Directors and the new Police Superintendent to determine structure flow for those functions. He pointed out that the reorganization will take time to finalize. When the initial restructuring takes place, most of the staff in the levee district offices will continue doing what they have always done and essentially report to the individuals to whom they typically report. The Authority will work towards the eventual full implementation of the reorganization.

Mr. Luettich advised that the CAO's proposed administrative staff includes two positions that are currently vacant. Positions descriptions will be developed and the two positions filled. Recognizing that there are at least two dozen projects currently on-going within the Authority, the need for administrative oversight to ensure the projects are within budget, deadlines are being met and compliance with various other administrative details is taking place, Project Management and Contract Management has been placed under the CAO. There is no expectation that the engineering work associated with the projects would be performed under the Project Management and Contract Management function. The engineering work would be performed under the Engineering function. He reiterated that Project Management and Contract Management is an administrative service function and that the position description is under development. Robert Turner will fill the role of Director of Engineering with Stevan Spencer directly under Mr. Turner. Gerry Gillen will supervise the Operations function.

Mr. Luettich explained that Mr. Hassinger has the responsibility of Authority staffing under his CEO authority as President of the Board; however, it should not be done without discussion and input. He stated that a great amount of input has been received from the Authority's staff and that a number of staff meetings have been held. A number of changes have been made as the process progresses. He noted that there is not a full meeting of the minds on all of the details of the reorganization; however, there has been a lot of willingness to move forward and make the reorganization happen.

The full staff meeting was important to alleviate any uncertainty and insecurity felt by levee district employees when word of the reorganization began to spread. He pointed out that there is still opportunity for input. The target date for the individuals in the upper level of the organizational structure (with the exception of vacancies) to be in their new roles is April 3rd. The departmental structures under the high level structure will not be finalized by April 3rd. He stressed the enormous challenge in terms of the financial aspects of the Authority, which will take a considerable amount of time to finalize. He commented that Mr. Boese and Ms. Chandler met this morning with all Finance staff Authority-wide and that he noted that staff wanted to share their experiences and assist with the reorganization. He expressed his appreciation for the level of enthusiasm expressed by staff at the meeting.

Mr. Luettich pointed out that it is the right time to tackle the reorganization as the new Regional HR, Finance and IT Directors are coming on board. He explained that it does not make sense for the new CAO, who has the responsibility for the administrative functions, not to have an office where the functions are located both in the interim and long term. Therefore, some reshuffling relative to offices located in the Lakefront Airport Terminal must take place. The Engineering group (four individuals), who work closely with O.L.D. staff, will be relocated to the O.L.D. Franklin Avenue Facility in temporary locations in order to provide space for the Administrative group. The full organizational structure must be fleshed out prior to permanently relocating all of the Authority staff. The services of a space planner have been retained for this purpose. He did not anticipate a full Authority move prior to the commencement of hurricane season. The planning can be accomplished during the hurricane season and the full move accomplished after hurricane season.

Mr. Luettich stressed that very close communication would be required between the Administrative and Engineering functions (CAO and Director of Engineering). He pointed out that the functions under the CAO are support for the Director of Engineering and the Engineering Division. The close communication and integration of functions will depend on teamwork at the various levels and the willingness for this teamwork to happen. He opened the floor for comments and input.

Mr. Morgan commented that the Authority's priority and objective is flood protection. He stated that Mr. Turner is one of the foremost experts on the Authority's flood protection system and that he should not be distracted by administrative details. He stated that he saw Mr. Turner's role as the Authority's primary leader in the maintenance and operation of the flood protection system and Mr. Boese' role as CAO as the provider of administrative support. He added that there may be a need for some adjustments.

Mr. Englande concurred with Mr. Morgan's comments and stated that it would be helpful to have a narrative of each of the functions indicated on the high level organizational structure chart.

Mr. Boese advised that narratives to describe each of the functions are being developed and should be completed within the next two weeks. The reorganization indicated on the high level organizational chart will go into effect on April 3rd for supervisory

purposes. Staff will go through a deliberate process for each of the functions to determine how the restructuring will take place, identify efficiencies and determine the desired end result. A timeline will be developed with milestones. The Financial function will take the longest to complete. A path forward and plan will be developed for which staff will be held accountable.

Mr. Miller asked the number of staff members and employees involved and participating in the reorganization. Mr. Boese responded that the directors were involved in the discussions relative to the high level functions that led to the announcement to the employees at the full staff meeting. The meeting held earlier this day with the Finance staff was to receive feedback, hear concerns and discuss best practices. Discussions were also held with Authority-West staff relative to its reorganization. He advised that Mr. Turner will meet with the Operations staff for similar discussions on sharing resources and implementing efficiencies across the Authority. Several meetings have been conducted, and will continue to be conducted, with all SLFPA-E staff and the levee district Executive Directors. He anticipated that by the next Board meeting there should be a much better understanding of the process that is estimated to take place over the next 12 to 18 months. The Authority will plan methods of disseminating information to all levee district employees.

Mr. Luetlich pointed out that it was not coincidental that the employee surveys coincided with the reorganization, and that Authority management is attempting to address some of the issues expressed in the surveys concurrent with the reorganization issues.

Mr. Cosse stated that the first time he saw the organizational chart he zeroed in on the fact that Contract Management and Project Management was under the CAO and advised that the function should be under Mr. Turner. He commented that the LBBLD Executive Director was sitting next to him at the time and that he agreed. He stated that he then called Mr. Turner and that Mr. Turner felt the same way and laid out the situation. He stated that the Board should hear from Mr. Turner and learn the reasons he felt that way.

Mr. Turner stated that everyone who has been involved in this process has been trying to do what is best for the Authority and is passionate to ensure that the flood protection system is kept in good shape. He stated that when you have passionate people there will be some disagreement from time to time; however, Project Management, in particular, is typically an Engineering function. He stated that the Authority has Project Managers and Project Engineers, primarily, that manage the projects from start to finish. He stated that from an engineering perspective it is important to maintain the engineering continuity of the projects through closeout. Separating the Project Management function from Engineering does not make sense. He stated that if it is just a support role whereby the Engineering Division is managing the projects and a position under the CAO is monitoring the cost and the information provided and reporting that back to the Board, he did not see it as a big problem. He stated that he was concerned about that one aspect of the way the plan is set up and did not fully understand how having Project Management outside of the Engineering Division would work. He pointed out that about 80 percent of the work being performed by the Engineering

Department at the O.L.D. is Project Management. He stated that he was passionate about flood protection and this particular issue; however, he recognized that there are other ideas and ways of doing things, and that his job is to work with everyone to implement whatever the Board decides.

Mr. Luettich commented that Project Management is not the only issue that has been brought up for discussion about which differing views have been expressed; however, at the end of every discussion there has always been a willingness expressed to do what needs to be done for the good of flood protection. He reiterated that Contracts Management and Project Management are intended as an administrative support function. A rough count produced dozens of on-going projects at the levee districts. Much of the upper level of administration and management of the projects is being done by the Executive Directors. He reiterated that the Contracts Management and Project Management function would be closely linked with the Engineering Division. There was a necessity to ensure that this need was being met Authority-wide, which led to the identification of this function. He pointed out that 18 months ago many of the significant boxes on the organizational structure chart were vacant. Now that the positions are filled, it is easier to determine the duties under each function. A position description has not yet been developed for the Contracts Management and Project Management functions. The position description must be fleshed out and the narrative associated with the function in order to provide clarity. He stated that it would be Mr. Boese' responsibility to develop the position description in association with Mr. Turner.

Mr. Cosse stated that unless someone objects he would like to include a motion on the next Board agenda to amend the organizational structure chart to move Contracts Management and Project Management under the Director of Engineering. Mr. Luettich suggested that staff be consulted on how the issue should be addressed. He stated that the President as the CEO has the authority to set up the administrative structure of the organization; however, the Board can override the President's decision with a two-thirds vote. He commented that he recognized the significance of Mr. Cosse' concern, and asked that the Board consider the progress taken prior to the next Board meeting. Mr. Luettich noted that the organizational structure chart had been disseminated via email for individual comments. There has been no attempt to implement the reorganization under a cloak; however, he pointed out that it would be difficult to attempt a reorganization in a complete discussion forum. Recognizing the fact that the reorganization relates to people's jobs and professions, there needs to be some level of expediency applied to the reorganization in order to provide employees with security. He stated that it has been a balancing act; however, he and Mr. Hassinger are willing to continue trying to make the process better.

Mr. Miller suggested that Mr. Cosse' item can be placed on the Board agenda next month and that the Board can defer action if it wishes. Mr. Luettich stated that an item could be placed on the Board agenda regarding an update on the reorganization. As the agenda is developed for the next meeting, the Commissioners have an opportunity to place motions on the agenda. He pointed out that the Board is in place to do the right thing.

Nyka Scott, Executive Counsel, advised that the Legislation that created the Authority states that the Authority can have a Regional Director, but does not require one.

Mr. Luettich thanked Mr. Turner and Mr. Boese for their commitment and effort. He pointed out that the new organizational structure would be the Authority's normal operating administrative structure; however, the Authority has a very detailed Emergency Management Plan that would go into immediate effect for the Authority and levee districts should a storm event or other emergency occur. Therefore, there should be no concern that the new organizational structure in any way confuses, weakens or compromises the Authority's ability to respond to events during hurricane season.

**RESOLUTION NO. 03-16-17-07 –
VIDEOTAPING ORLEANS LEVEE DISTRICT CULVERTS – PHASE 1**

Gerry Gillen, O.L.D. Executive Director, explained that the USACE requires levee districts to inspect and have a video report on all culverts that go through a floodwall. The O.L.D. has approximately 125 culverts and valves. C. H. Fenstermaker & Associates will gather all the required information and determine locations where cameras can be fed through the system. The video report must be accomplished every five years. Future inspections and reports should not require the same amount of effort as the initial inspections and report. He recommended that the Board approve the issuance of a task order to C. H. Fenstermaker & Associates. Mr. Miller advised that the Operations Committee reviewed the task order request and recommended Board approval.

On the motion of Mr. Miller,
Seconded by Mr. Kemp, the following resolution was offered:

WHEREAS, the U.S. Army Corps of Engineers requires that the Orleans Levee District (O.L.D.) perform a videotape inspection of all culverts in the flood protection system; and

WHEREAS, the O.L.D. negotiated a task order to perform data gathering and verification of valves and culverts with C.H. Fenstermaker & Associates, LLC under an Indefinite Delivery-Indefinite Quantity Contract the with Southeast Flood Protection Authority – East.

BE IT HEREBY RESOLVED, that the Southeast Louisiana Flood Protection Authority-East authorizes the issuance of a task order to C.H. Fenstermaker & Associates, LLC in the amount of \$80,915.00 for Labor, Equipment and Travel Expenses to gather data and verify valves and culverts located in the flood protection system within the O.L.D.

BE IT FURTHER RESOLVED, that the O.L.D. Executive Director be authorized to sign the aforementioned Task Order and any and all other documents necessary to carry out the above.

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

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

NAYS: None

ABSENT: Mr. Dastugue, Mr. Hassinger and Mr. Latiolais

RESOLUTION NO. 03-16-17-08 - LOWER THE TOPS OF VALVE PITS OHV-38 AND OHV-39 VALVE PITS IN MICHLOUD LEVEE

Mr. Gillen explained that the O.L.D. is planning to abandon two of the 125 valves. Five companies were asked to submit a bid on the proposed project. The work to be performed consists of lowering the top of the existing valve boxes, which are obstructions during grass maintenance, and filling the culverts. Two bids were received. He recommended that a contract be awarded to Cycle Construction Company, the lowest responsive bidder. Mr. Morgan added that the estimated budget for the project was between \$60,000 and \$70,000. Mr. Miller explained that the Operations Committee noted in its review that bids were requested from the same five companies for this project and the next project coming before the Board. Two companies bid on one project and only one company bid on the second project. The Operations Committee pointed out that if these companies are not going to submit bids, then other companies should be requested to bid on the small projects that are not advertised.

On the motion of Mr. Morgan,
Seconded by Mr. Miller, the following resolution was offered:

WHEREAS, valve pits OHV-38 and OHV-39 are obsolete and interfere with efficient grass cutting along the Michoud Levee; and

WHEREAS, the Lower the Tops of Valve Pits OHV-38 and OHV-39 Project was informally bid on Wednesday, March 15, 2017, and the results were as follows:

Bidding Contractors	Total Base Bid Price
Cycle Construction Company, LLC	\$59,981.00
Anders Construction, Inc.	\$137,553.00
Gill's Crane and Dozer Service, Inc.	NO BID
D&D Construction Louisiana LLC	NO BID
Durward Dunn Inc.	NO BID

WHEREAS, funds for the project are available from the approved FY 2017 Special Levee Improvement Fund Budget.

BE IT HEREBY RESOLVED, that the Southeast Louisiana Flood Protection Authority–East authorizes the award of a contract in the amount of \$59,981.00 to Clyde Construction Company, LLC for the Lower the Tops of Valve Pits OHV-38 and OHV-39 Project,

BE IT FURTHER RESOLVED, that the Orleans Levee District Executive Director is hereby authorized to execute the aforementioned contract in the amount of \$59,981.00 with Clyde Construction Company, LLC, and to sign any and all other documents necessary to accomplish the above.

The foregoing was submitted to a vote, the vote thereon was as follows:
 YEAS: Mr. Cosse, Mr. Englande, Mr. Kemp, Mr. Luettich, Mr. Miller and
 Mr. Morgan
 NAYS: None
 ABSENT: Mr. Dastugue, Mr. Hassinger and Mr. Latiolais

RESOLUTION NO. 03-16-17-09 - HAYNE BOULEVARD LEVEE REPAIRS

Mr. Gillen explained that a number of areas along a six mile stretch of levee along Hayne Boulevard require maintenance. The work includes stripping the existing soil in locations with poor grass growth. Five companies were asked to submit bids on the project; however, only one company submitted a bid. He recommended that a contract be awarded to Cycle Construction Company.

On the motion of Mr. Morgan,
 Seconded by Mr. Englande, the following resolution was offered:

WHEREAS, several locations along the Hayne Boulevard Levee are in need of repair including fillings, dressing and grass restoration; and

WHEREAS, the Hayne Boulevard Levee Repair Project was informally bid on Thursday, March 9, 2017, and the results were as follows:

Bidding Contractors	Total Base Bid Price
Cycle Construction Company, LLC	\$94,730.00
Anders Construction, Inc.	No Bid
Gill's Crane and Dozer Service, Inc.	No Bid
D&D Construction Louisiana LLC	No Bid
Durward Dunn Inc.	No Bid

WHEREAS, funds for the project are available from the approved FY 2017 Special Levee Improvement Fund Budget.

BE IT HEREBY RESOLVED, that the Southeast Louisiana Flood Protection Authority – East authorizes the award of a contract in the amount of \$94,730.00 to Cycle Construction Company, LLC for the Hayne Boulevard Levee Repair Project,

BE IT FURTHER RESOLVED, that the Orleans Levee District Executive Director is hereby authorized to execute the aforementioned contract in the amount of \$94,730.00 with Cycle Construction Company, LLC, and to sign any and all other documents necessary to accomplish the above.

The foregoing was submitted to a vote, the vote thereon was as follows:
 YEAS: Mr. Cosse, Mr. Englande, Mr. Kemp, Mr. Luettich, Mr. Miller and
 Mr. Morgan
 NAYS: None
 ABSENT: Mr. Dastugue, Mr. Hassinger and Mr. Latiolais

RESOLUTION NO. 03-16-17-10 - A RESOLUTION OF THE SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY-EAST (SLFPA-E) AUTHORIZING THE SLFPA-E PRESIDENT TO EXECUTE A SERVITUDE IN FAVOR OF STUDIO NETWORKS, LLC

Ms. Heaton advised that that the property over which the servitude would be granted is managed by the NFPAMA under the Memorandum of Understanding between the SLFPA-E and the NFPAMA. The development is located in a 24 acre area of previously blighted property that is being leased. The developer constructed a facility to house a PT boat for the World War II Museum as part of the first phase of the development. An ADA compliant surfaced pathway is needed from the back lot of the marina to the PT boat facility. The O.L.D, as the owner of the property, would be the grantor of the proposed servitude for the pathway. The developer is moving the fence at his expense to create an ADA compliant pathway. The perpetual servitude would last as long as the lease is in effect (50 years).

Mr. Miller advised that although he has no financial interest in this matter, he would abstain from voting on the servitude since he is a volunteer at the World War II Museum.

On the motion of Mr. Morgan,
Seconded by Mr. Englande, the following resolution was offered:

WHEREAS, Southshore Harbor Marina (“Marina”) was built, and is owned by, the Orleans Levee District (“O.L.D.”); and

WHEREAS, the Board of Commissioners of the Southeast Louisiana Flood Protection Authority-East, is the governing authority of the O.L.D., a political subdivision of the State of Louisiana; and

WHEREAS, in July 2016, the Non-Flood Protection Asset Management Authority entered into a lease agreement with Studio Network-Lakefront, LLC (“Studio Networks), to lease and develop the old Bally’s Casino site at Southshore Harbor (“the Site”); and

WHEREAS, as part of the development, Studio Network’s has partnered with the National WWII Museum to bring PT Boat 305 to the lakefront and has built a facility to house it (“Boat House”); and

WHEREAS, in order to comply with the American with Disabilities Act, and to provide access to PT-305, which will be moored in the Marina, Studio Network’s has requested a servitude of access for the creation of a surfaced pathway from the back parking lot of the Marina to the Boat House so that its disabled patrons can lawfully access the Site.

BE IT HEREBY RESOLVED, that the SLFPA-E authorizes its President to execute a servitude for in favor of Studio Network-Lakefront, LLC.

The foregoing was submitted to a vote, the vote thereon was as follows:
YEAS: Mr. Cosse, Mr. Englande, Mr. Kemp, Mr. Luetlich and Mr. Morgan

NAYS: None

ABSTAINED: Mr. Miller

ABSENT: Mr. Dastugue, Mr. Hassinger and Mr. Latiolais

**RESOLUTION NO. 03-16-17-11 - BUILDOUT OF AIRPORT TERMINAL
CONFERENCE CENTER / MEETING FACILITIES**

Mr. Luettich advised that that Board approved the payment for the buildout of the Airport Terminal conference center by the O.L.D. with subsequent reimbursement from the SLFPA-E's LAMP BP Settlement account. The budget for the buildout is \$290,000. He explained that in going through the budgeting process, he realized that since the conference center buildout is an improvement to an O.L.D. owned asset (Lakefront Airport), the O.L.D. should pay for the improvement rather than being reimbursed from SLFPA-E BP Settlement funds. The resolution before the Board eliminates the reimbursement provision. The long term mission of the NFPAMA is to provide revenues to the O.L.D. for flood protection.

On the motion of Mr. Morgan,

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

WHEREAS, by Resolution No 03-17-16-11, the Southeast Louisiana Flood Protection Authority-East (SLFPA-E) approved the award of a contract for the buildout of the Lakefront Airport Terminal Conference Center / Meeting Facilities with intent that the costs of the buildout would be paid by the Orleans Levee District in order to expedite the project and that the costs would be reimbursed from the SLFPA-E's Louisiana Asset Management Pool (LAMP) BP Settlement Account; and

WHEREAS, by Resolution No. 08-18-16-09, the SLFPA-E approves a budget not-to-exceed \$290,000, including the aforementioned construction cost, for the Airport Terminal Conference Center / Meeting Facilities Buildout Project, which includes architectural fees, construction of the buildout, furniture, fixtures and technical equipment; and

WHEREAS, Resolution No. 08-18-16-09 further provided that all costs of the buildout would be paid by the Orleans Levee District up to an amount not-to-exceed \$290,000 and reimbursed from the SLFPA-E LAMP BP Settlement Account; and

WHEREAS, R.S. 38:330.12 provides that the non-flood protection assets shall be managed and controlled by the Non-Flood Asset Management Authority; however, ownership of the asses shall remain with the Orleans Levee District; and

WHEREAS, it has been determined that the costs of aforementioned capital improvements, which increase the value of an asset owned by the Orleans Levee District, should be paid by the owner of the asset.

BE IT HEREBY RESOLVED, that the Southeast Louisiana Flood Protection Authority-East authorizes the amendment of Resolutions Nos. 03-17-16-11 and 08-18-16-09 to provide that the costs of the Airport Terminal Conference Center / Meeting Facilities Buildout Project shall be paid by the Orleans Levee District up to a not to exceed budget amount of \$290,000.

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

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

NAYS: None

ABSENT: Mr. Dastugue, Mr. Hassinger and Mr. Latiolais

RESOLUTION NO. 03-16-17-12 - ASSIGNMENT OF LBBLD FUNDS FOR MAJOR MAINTENANCE OF COMPLEX STRUCTURES

Mr. Morgan advised that the assignment of funds for the major maintenance of the complex structures was discussed by the Finance Committee. The funds are being assigned to finance the long term major maintenance of the two complex structures for which the LBBLD is responsible. Basically, the funds would be separated as a line item in the budget in order to recognize the maintenance obligation. The funds will not be moved to another account due to potential cash flow issues.

On the motion of Mr. Cosse,

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

WHEREAS, the Lake Borgne Basin Levee District (LBBLD) is responsible for the operation and maintenance (O&M) of two complex marine structures (Caernarvon Sector Gate and Bayou Dupre Sector Gate) built by the U.S. Army Corps of Engineers during the construction of the Hurricane and Storm Damage Risk Reduction System; and

WHEREAS, the nature and complexity of these structures will require the LBBLD to incur periodic major maintenance costs that, together with other project costs and O&M expenditures, will exceed any one-year revenue stream of the Levee District; and

WHEREAS, the estimated cost for the major maintenance that must be performed on a ten-year cycle basis for each of the two complex structures is \$1.5 million, or \$3 million for both structures; and

WHEREAS, it has been determined that funds should be set aside annually in amounts that can be funded by current revenue and will accumulate to the amounts needed for the aforementioned period major maintenance; and

BE IT HEREBY RESOLVED, that the Southeast Louisiana Flood Protection Authority-East approves the assignment of \$350,000 from the LBBLD's annual fiscal year budget, beginning with the Fiscal Year 2018 Budget, for the periodic major maintenance of the Caernarvon Sector Gate and Bayou Dupre Sector Gate.

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

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

NAYS: None

ABSENT: Mr. Dastugue, Mr. Hassinger and Mr. Latiolais

EXECUTIVE SESSION:

1. SLFPA-E, et al., V. Tennessee Gas Pipeline Company, LLC, et al, USDC EDLA Case No. 13-5410, Sec. "G"(3)]. Discussion of U.S. Fifth Circuit Court of Appeal Ruling.
2. State of Louisiana vs. USA, U.S. Federal Court of Claims, Civil Action No. No. 16-194C. Discussion on settlement issues.

A motion was offered by Mr. Morgan, seconded by Mr. Kemp and unanimously adopted by a roll call vote, for the Board to convene in Executive Session to discuss the items listed on the agenda. The Board convened in Executive Session at 1:05 p.m.

The Board reconvened in regular session at 1:45 p.m. and Mr. Luettich called the meeting back to order.

RESOLUTION NO. 03-16-17-13 - A RESOLUTION OF THE SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY-EAST ACCEPTING EXECUTIVE COUNSEL'S SETTLEMENT RECOMMENDATIONS IN THE STATE OF LOUISIANA VS. THE UNITED STATES OF AMERICA, ET AL MATTER AND AUTHORIZING THE PRESIDENT OR CAO TO EXECUTE ALL SETTLEMENT, AND ANY OTHER DOCUMENTS, NECESSARY TO PERFECT THE SETTLEMENT OF THIS MATTER

On the motion of Mr. Kemp,
Seconded by Mr. Cosse, the following resolution was offered:

WHEREAS, the State of Louisiana initiated litigation against United States of America and the U.S. Army Corps of Engineers in the U.S. Federal Court of Claims (Civil Action No. 16-194V) in regard to the commandeering of property for the construction of interim gated closure structures and integrated pumping capacity at the 17th Street Canal as part of the rehabilitation effort for the Lake Pontchartrain and Vicinity project; and

WHEREAS, Executive Counsel has advised the Southeast Louisiana Flood Protection Authority-East Board that the parties have negotiated a settlement, in principal, of the litigation; and

WHEREAS, Executive Counsel recommends that the Southeast Louisiana Flood Protection Authority-East agree to the settlement as recommended by Counsel; and

WHEREAS, it is necessary for Lambert J. Hassinger, President of the Southeast Louisiana Flood Protection Authority-East Board, or Derek Boese, the CAO, to execute any and all documentation to effectuate settlement of the claims of the East Jefferson Levee District, including but not limited to the authority to execute a Full and Final Release, Settlement, and Covenant Not to Sue and/or other appropriate documents in the form, substance, and amount recommended by Executive Counsel.

BE IT HEREBY RESOLVED by the Southeast Louisiana Flood Protection Authority-East hereby accepts Executive Counsel's settlement recommendation in this matter; and

BE IT FURTHER RESOLVED that the President of the Southeast Louisiana Flood Protection Authority-East, or Derek Boese, the CAO, is authorized to execute any and all documentation to effectuate settlement of the claims of the Southeast Louisiana Flood Protection Authority-East, including but not limited to the authority to execute a Full and Final Release, Settlement, and Covenant Not to Sue and/or other appropriate documents in the form, substance, and amount recommended by Executive Counsel.

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

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

NAYS: None

ABSENT: Mr. Dastugue, Mr. Hassinger and Mr. Latiolais

The next regular monthly meeting of the Board will be held on April 20, 2017 and hosted by the EJLD.

There was no further business; therefore, the meeting was adjourned at 1:47 p.m.

SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY – EAST

REGIONAL DIRECTOR’S REPORT

March 16, 2017

HSDRRS Project Status Update

IHNC-02 – Lake Borgne Surge Barrier

The Bypass Barge Gate will be re-opened on March 16, 2017.

At our request, USGS removed the Corps’ current velocity meter (CVM) at the Surge Barrier Sector Gate and replaced it with a properly functioning meter. Raw velocity data is now being reported at the following link:

https://waterdata.usgs.gov/la/nwis/uv?cb_00035=on&cb_00036=on&cb_00065=on&cb_00065=on&cb_72254=on&format=gif_default&site_no=073802339&period=&begin_date=2017-03-07&end_date=2017-03-14

On March 14, 2017 the Corps forwarded a copy of their revised engineering assessment of the scour hole at the Surge Barrier south of the Sector Gate. The following is an excerpt from the report:

“Without taking any corrective action, the scour hole could increase in size, depth and width, which in turn could subject the floodwall to potential structural damage...”

The Corps’ recommended plan to remediate and prevent scour in this area is as follows:

1. *“Provide a 21’ opening for local maintenance access on the closure wall, approximately the same distance from floodwall as the existing opening at the southern closure wall. Existing sheet piling can either be cut at the mudline or pulled. The opening will need a closure chain installed similar to the southern closure wall opening.*
2. *Fill scour hole to elevation -14.0’ with sand. No more than 4’ of differential is allowed on the access closure I-wall when placing sand in scour hole.*
3. *Cover sand with geotextile fabric, approximately 50’ on both sides of the closure wall, and approximately 25’ away from floodwall.*

4. *Cover mudline with geotextile fabric at new opening, approximately 10' on both sides of the closure wall.*
5. *Place 4' thick LaDOTD Class 130 rated stone, which is equivalent to MVD's R-650 gradation riprap, over entire limit of fabric at gap and new opening, both the existing 9' opening and the new 21' opening."*

The Corps has not confirmed that they will undertake this project. Consequently, we must begin the process of planning and designing the recommended remediation so that we can be prepared to carry out the work if the Corps refuses to take corrective action.

LPV-03.2b.1- West Return Landside Runoff The Corps' contractor is 90% complete on the work North of Vintage. There are three outstanding modifications that are pending on this project, pushing competition date back into April or May of 2017.

LPV-144A – Old Bayou Dupre Sector Gate The Corps' contractor is scheduled to begin placing stone in the scour hole between the new and abandoned sector gate structures on March 28, 2017. The work is scheduled for completion on April 25, 2017. The contractor has requested the levee district to operate the new sector gate to facilitate safe construction activities.

LPV-149P– Caernarvon Sector Gate This project involves sandblasting and repainting the sector gate structure at Caernarvon. The Corps' Contractor started work on January 23, 2017. The structure was un-watered and sediment was removed from the sector gate sill. Areas that need to be repainted have been tented and the sand blasting of welds is now under way. Weld testing is scheduled to begin on Monday March 13th.

Permanent Canal Closures and Pumps (PCCP) A status update for the three pump stations was sent to all Commissioners on March 13, 2017.

The tie-in at the London Canal is complete. The Embankment needs to be replaced along the I-Wall on the lake side of the project. The piles have been driven for the T-wall at the Orleans Canal, and placement of concrete will start later this month.

You can check the USACE New Orleans District web site at www.mvn.usace.army.mil/missions/hsdrrs/pccp.aspx for details and regular updates on this last, major HSDRRS perimeter project.

Armoring Work continues on the New Orleans East Levee (ARM-04). The Contract Modification for correcting the slope on the protected side of the levee has been approved. A status update on all armoring projects was sent to all Commissioners on March 9, 2017.

Levee Lifts Prior to USACE Armoring The status of each project is listed below:

1. LPV 00.2: The Notice to Proceed with construction was issued for January 17, 2017. The Contractor is on site and has silt and safety fence installed. The contractor began hauling material to the levee on March 6th.
2. LPV 1.1 and LPV 2.2: The Notice to Proceed with construction was issued for January 10, 2017. The section in front of the Pontchartrain Center has been stripped, borrow material placed, and the section brought to finished grade. The contractor is now working between Williams Blvd. and Elmwood Canal. The contractor expects to move into Reach 3 on Monday, March 13th.
3. LPV 19.2 and LPV 20.1: The Notice to Proceed with construction was issued for January 17, 2017. The Contractor is on site and working between Suburban Canal and Causeway Bridge. The first 5900 Liner Feet of this Reach has been completed and the contractor is in process of taking Compliance Surveys. The next section of project is between Severn and Causeway will get underway on Monday, March 13th.
4. LPV 109.02: At the request of SLFPA-E, the Corps and SLFPA-E are working on a plan to have the Corps lift LPV 109.02a as part of the armoring program. Orleans Levee District will pay for the cost of the lift. The LPV 109.02a MOA has been approved by USACE. The Corps is requesting \$4M from OLD to lift the levee prior to placing the armor. The MOA has been signed by both the SLFPAE and CPRA, we are waiting for the Corps to sign and return to us.
5. LPV 111: At the request of SLFPA-E, the Corps has agreed to raise approximately 4,000LF of the levee prior to armoring. Orleans Levee District will pay for the cost of the lift. The LPV 111 MOA has been approved by USACE. The Corps is requesting \$2M from OLD to lift the levee prior to placing the armor. The MOA has been signed by both the SLFPAE and CPRA, we are waiting for the Corps to sign and return to us.

The Table 1 shows the estimated embankment quantities included in the bid documents versus the actual embankment quantities used for the projects located in East Jefferson. Actual quantities are greater than the estimated bid quantities because:

1. More borrow material was needed to account for the settlement that has occurred since the design surveys were completed in 2014; and
2. A 400' distance between cross sections was used to estimate bid quantities whereas a 100' interval was used to calculate actual quantities.

Table 1. Levee Lift Revised Embankment Quantities and Cost

Project	Est. Qty. (cy)	Unit Price	Extended Bid Price	Actual Qty. (cy)	Extended Actual Cost	% Increase
LPV-00.2 (10,519')	28,500	\$25.62	\$730,170.00	32,219	\$825,450.78	13.05%
LPV01.1 & 02.2 (19,594')	43,000	\$35.00	\$1,505,000.00	51,900	\$1,816,500.00	20.70%
LPV 19.2 & 20.1 (17,325')	30,500	\$32.00	\$976,000.00	31,432	\$1,005,824.00	3.06%

Change Orders will be required to adjust the Total Contract Prices for the increased borrow quantities. The Unit Price for borrow material will not change.

Internal Affairs

Surge Analysis Update and HSDRRS Recertification SLFPA-E and CPRA met with FEMA on several occasions to prepare for the 2023 HSDRRS levee recertification effort. We have a meeting scheduled with USACE N.O District, USACE HQ, FEMA and CPRA on March 22, 2017 to try to clearly define the process that must be used to complete a new levee certification report.

Asset Management The Asset Management Software roll-out began on February 13, 2017 and is progressing well. At his time the software is being used for inspections and work order tracking at the Seabrook Complex, Surge Barrier, Bayou Bienvenue Sector Gate, and Bayou St. John Sector Gate. Our crews are using tablets to collect data, create and access work orders, and track maintenance progress. Minor enhancements are expected to occur as the field crews become more familiar with the program's features.

Emergency Preparedness and Response

The River stage at the Carrollton gage is now near 8.0' and is forecast to rise to near 8.5' in the next several days and then fall slowly for the next 30 days.

Meetings and Items of Note:

The USACE is presenting a “Flood Fight Workshop” March 16, 2017, at the NO District offices (9:00am).

The Coastal Protection and Restoration Authority Board meeting is scheduled for April 19, 2017 in the LaSalle Building, Baton Rouge, for 9:30am.

Governor's Advisory Commission Meeting is scheduled to meet on March 29, 2017 in New Orleans, Location the Port of New Orleans, at 9:30am.

The calendars of other meetings for the CPRA can be found at www.coastal.la.gov/calendar.

New Contracts:

WP Training Courses – Website Redevelopment – NTE \$15,000 – 2/21/17-7/1/17

Construction Projects:

Project	District	Status	Comments
System Wide Slope Paving	OLD	0%	Install slope paving where levees are difficult to maintain-consultant preparing proposal
IHNC Michoud Floodgate Painting & Repair	OLD	0%	Planned for 12/2017 thru 7/2018
Hydradyne	OLD	90%	Tentative bypass opening Wed., March 8th
Bypass Gate Pintle Modification	OLD	0%	Need bypass gate open to work on eliminating interfering steel
Seawall Steps Erosion Phase 1 (Reach 1A/3B)	OLD	99% complete	Final punch list items remaining
N.O. Lakefront airport Conference Center	OLD	99% complete	Contract awarded
IHNC – East	OLD	0% complete	Drain standing water between floodgate E-02 & E-01, east of Florida Ave. Bridge underway
IHNC – East	OLD	50% complete	Survey levee between floodgate E-03 & E-06, prepare P&S. Move drainage from flood side toe, survey complete, P&S beginning
Floodgate Repairs EB-05	OLD	60%	Contractor working
Seawall Steps Erosion Phase 3 (1C/2A/5B)	OLD	0%	Plans under review
Surge Barrier Boat Launch	OLD	0%	Contractor ready to start
Seawall Steps Erosion (Phase 2-Reach 2c/2d/3c)	OLD	30%	NTP issued to TKTMJ
Hayne Blvd. Levee Repairs	OLD	0%	OLD contractor to fill and seed low spots-award Wed., March 15th

Construction Projects (continued):

Project	District	Status	Comments
17 th St Canal Levee	OLD	0%	Remove concrete left on levee surface from OFC-05; fill and seed – Contractor may wait until spring
Remove OHV-15, 16 ORV-30; Replace OHV-23 & 24	OLD	90%	Closing out work soon
Slope Paving Repairs on MRL, near Carrollton and St. Charles	OLD	0%	Work pending completion of work on Henry Clay floodgate
Valve Box Repairs 38-39, Michoud Levee	OLD	0%	Prices in Thurs., March 9 th
Repair Drains Under NSRR Tracks, on Lakefront levee in N.O. East	OLD	0%	Start 30 day assembly period Mon., March 20 th
East Side London Canal Drainage Remediation	OLD	0%	Protected side holding water (900'+), needs regraded. Consultant starting work
IHNC East, Repair Levee Burned by Entergy	OLD	0%	OLD will monitor grass regeneration
NASA Levee LPV-113 Repairs	OLD	0%	Work commence Spring 2017. Distress report to USACE
Repair Rip Rap at B.B Swing Bridge	OLD	0%	Contractor will start soon Bids – Feb. 15
BSJ Sector Gate Generator Room Roof	OLD	0%	Contractor ready to start soon
Poor Grass Growth London OFC, East Bank North of PS#4	OLD	0%	Contractor address spring 2017
Repair Limestone Access Ramps on M.R. Downstream of Alabo Street Wharf (temporary)	Old	0%	Contractor to start soon
Install Concrete Slope Paving on River Levee Downstream of Alabo Street Wharf	OLD	0%	Phase 1 starts soon
522 Montegut Street on M.R., Floodwall Seepage	OLD	100%	Complete

Construction Projects (continued):

Project	District	Status	Comments
Videotape All Culverts Under Floodwalls, Every 5 Years	OLD	0%	Phase 1 data gathering – Board Resolution
Repair S-04	OLD	0%	Distress Report to be sent
Roadway Repairs @ E-11	OLD	0%	Informal bid package sent
Complete MR Floodgates	OLD	0%	Future work to complete repair/paint floodgates that must be painted in place
Phase 1 for Engine Upgrades at Station 1 & 4	LBBLD	0%	Contractor is working and on schedule with gantry crane removal and replacement. Engineers and bearings for right angle drives are on order.
Phase 2 for Safe Room Design HMGP	LBBLD	0%	Pre-construction meeting was held on 2/3/17, anticipate NTP to be issued next week

Levee District Project Designs and Studies

Project	District	Comments
System Wide Slope Paving Installation	OLD	P&S for slope paving where levees are difficult to maintain
Outfall Canals Erosion	OLD	Study complete; design 90% complete; Stability analysis underway @CH2M
Lakefront Levee Drainage Improvement East of UNO Ramp	OLD	Proposal under review
Citrus Lakefront Levee Railroad Drainage Study	OLD	Construction start soon (CA/RI)
Lakefront Seawall Area Phase 1	OLD	Construction, administration and inspection 99% complete
Bayou Bienvenue/Bayou St. John O&M Manuals	OLD	BBSG at USACE for review /BSJSG 70% complete fiscal 2017
Police Administration Building	OLD	Board has authorized
MRT Floodgate Painting	OLD	95% complete
Lakefront Seawall Area Phase 2 (2c, 2d, 3c)	OLD	Construction Administration and inspection 30% complete
Lakefront Lake Marina Road Raising	OLD	Task Order extended. Work to start mid to late 2017, pending PCCP work.
IHNC - East	OLD	Low area holding water at East side Florida Ave. Bridge. P&S at 90%
Demolish and Repair Portions of Floodgate EB-05	OLD	CA/RI ongoing 60% complete
Repair/Paint IHNC and Michoud Floodgates	OLD	Consultant task order out
Pump Station #6 pump repair and hangers at P.S. #7	LBBLD	P&S complete; preparing to advertise
Pump Station #6 Erosion Repair	LBBLD	P&S complete; preparing to advertise
EJLD Safehouse Complex	EJLD	Final design review underway, advertise late March. Site demolition in progress and pile load test will start late March. Construction completion still July 2018.