

**MINUTES OF THE
SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY – EAST
BOARD MEETING
THURSDAY, JUNE 19, 2014**

The regular monthly Board Meeting of the Southeast Louisiana Flood Protection Authority-East (Authority or SLFPA-E) was held on Thursday, June 19, 2014, at the St. Bernard Parish Council Chambers, St. Bernard Parish Government Complex, 8201 West Judge Perez Drive, Chalmette, Louisiana, after due legal notice of the meeting was sent to each Board member and the news media and posted.

Mr. Estopinal called the meeting to order at 9:30 a.m. and led in the pledge of allegiance.

The roll was called by Mr. Estopinal:

PRESENT:

Stephen Estopinal, Acting President
Wilton P. Tilly, III, Treasurer
Jefferson M. Angers
Tyrone Ben
Lambert J. Hassinger, Jr.
G. Paul Kemp
Kelly J. McHugh
Richard A. Luettich, Jr.

ABSENT:

Louis E. Wittie, Secretary

INTRODUCTION OF NEW BOARD MEMBER AND OATH OF OFFICE:

Mr. Estopinal introduced Tyrone Ben, who was appointed to the Board on June 6, 2014. Robert LaCour, SLFPA-E General Counsel, administered the Oath of Office to Mr. Ben.

OPENING COMMENTS:

Mr. Estopinal commented that when he was first appointed to the Board, he quickly discovered that the SLFPA-E is the Authority without any authority. The SLFPA-E is not the local sponsor for the Hurricane and Storm Damage Risk Reduction System (HSDRRS) and was not afforded the opportunity to review, approve or disapprove plans for the HSDRRS. When the SLFPA-E provided comment, its observations were usually ignored. The SLFPA-E objected to the design of the 23-miles of T-wall in St. Bernard Parish knowing that voids would develop underneath the slab due to the design. A solution was promised; however, nothing changed. The SLFPA-E strenuously objected to the use of uncoated steel for the sheet batter piles for the same 23-miles of T-wall. Using raw steel in a marine environment is contrary to engineering practices. The SLFPA-E was ignored. The SLFPA-E pleaded for Option 2 for the Orleans Parish Outfall Canals believing it would create a smaller footprint for the structures. Option 1

was built. The SLFPA-E objected to the IHNC Surge Barrier Barge Gate remaining open, particularly during hurricane season. The original plan was for the Barge Gate to remain closed except during periods when the Sector Gate was being repaired. Recently, the SLFPA-E reissued a letter to the U.S. Army Corps of Engineers (USACE) requesting a change to the current policy. The Barge Gate must be operated in accordance with the manual written by the USACE and provided to the operators. The SLFPA-E has yet to receive a reply. The SLFPA-E objected to the storm surge modeling and the computational process used by the USACE to the point that the SLFPA-E commissioned its own study. The SLFPA-E's study indicated that the overtopping rates would be considerably higher. This is of particular importance where the overtopping of the IHNC Surge Barrier could easily fill the IHNC basin. A peer review of the system was promised due to SLFPA-E's and Coastal Protection and Restoration Authority's (CPRA) protests. The peer review of the design was accomplished after the construction was completed. A report on the peer review will be presented later in the Board meeting. He stated that he believes that the report confirms the SLFPA-E's fears.

Mr. Estopinal stated that when he was first appointed to the Board he was dismayed with the lack of property recordkeeping and right-of-way documentation. The system that was in use was inherited from the old levee boards and was primitive. The SLFPA-E has taken steps to bring its recordkeeping up-to-date. He added that the acquisition actions taken by the USACE were barbaric. The SLFPA-E will be taking steps to improve the documentation of existing rights-of-ways and the process of acquiring rights-of-ways when necessary.

Mr. Estopinal commented that the SLFPA-E has been handed a new system that is big, expensive, powerful and strong; however, it is flawed in many ways. The SLFPA-E is dedicated to finding the weak areas and fixing them when possible and to indentifying other areas that were not considered in the protection system in order to bring storm surge protection to a level that is engineeringly acceptable.

APPROVAL OF AGENDA:

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

RESOLUTION NO. 06-19-14-01 - APPROVAL OF MAY 15, 2014 BOARD MEETING MINUTES

On the motion of Mr. Luettich,
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 May 15, 2014.

The foregoing was submitted to a vote, the vote thereon was as follows:
YEAS: Mr. Angers, Mr. Ben, Mr. Estopinal, Mr. Hassinger, Mr. Kemp, Mr. Luettich
and Mr. Tilly

NAYS: None
ABSENT: Mr. McHugh and Mr. Wittie

NOMINATION AND ELECTION OF OFFICERS FOR ONE YEAR TERM EFFECTIVE JULY 1, 2014

The floor was opened for nominations for the office of President. Mr. Kemp offered and Mr. Hassinger seconded the nomination of Stephen Estopinal. There were no further nominations. Mr. Estopinal was elected to the office of President by a unanimous vote of the Board.

The floor was opened for nominations for the office of Vice President. Mr. Tilly offered and Mr. Ben seconded the nomination of Lambert “Joe” Hassinger, Jr. There were no further nominations. Mr. Hassinger was elected to the office of Vice President by a unanimous vote of the Board

The floor was opened for nominations for the office of Secretary. Mr. Luettich offered and Mr. Tilly seconded the nomination of Louis E. Wittie. There were no further nominations. Mr. Wittie was elected to the office of Secretary by a unanimous vote of the Board.

The floor was opened for nominations for the office of Treasurer. Mr. Luettich offered and Mr. Kemp seconded the nomination of Wilton “Paul” Tilly. There were no further nominations. Mr. Tilly was elected to the office of Treasurer by a unanimous vote of the Board.

RESOLUTION NO. 06-19-14-02 - ELECTION OF OFFICERS

“A resolution stating the results of the election of Officers of the Southeast Louisiana Flood Protection Authority-East for a term of one year commencing July 1, 2014.”

WHEREAS, the Board adopted revised Bylaws at a Regular Board Meeting held on December 17, 2009, which provide in part for the designation and election of Officers of the Board; and

WHEREAS, Article IV, Section 1 (Officers and Elections), designates the officers as President, Vice President, Secretary and Treasurer to be elected from among the members of the Board at the regularly scheduled June meeting; and

WHEREAS, Article IV, Section 1 further provides that officers shall assume their duties on July 1st; and

WHEREAS, Article IV, Section 2, provides that officers shall be elected to serve one year terms.

BE IT HEREBY RESOLVED, that, in accordance with elections held this date, the Officers of the Southeast Louisiana Flood Control Authority-East shall be as follows for the term commencing July 1, 2014:

President – Stephen V. Estopinal

Vice President – Lambert J. Hassinger, Jr.
Treasurer – Wilton P. Tilly, III
Secretary – Louis E. Wittie

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

YEAS: Mr. Angers, Mr. Ben, Mr. Estopinal, Mr. Hassinger, Mr. Kemp, Mr. Luettich
and Mr. Tilly

NAYS: None

ABSENT: Mr. McHugh and Mr. Wittie

PRESENTATIONS:

1. Hurricane Evacuation Routes and Contra-flow – Kevin Davis, Director, Governor’s Office of Homeland Security and Emergency Preparedness

Kevin Davis, Director, Governor’s Office of Homeland Security and Emergency Preparedness (GOHSEP), distributed copies of the Louisiana Emergency Preparedness Guide, which includes information on the emergency evacuation plan and Southeast Louisiana Contraflow. The guide is available to the public upon request to GOHSEP. Contraflow takes place when the Interstate system is reversed and all lanes flow to move people from South Louisiana to the north. The first phase (Phase I) of the emergency evacuation plan takes place 50 hours before the onset of tropical storm force winds on the Louisiana coast. However, a 50-hour window may not be available should a storm develop close to the Louisiana coast. The Louisiana National Guard, Louisiana State Police and local law enforcement are engaged in carrying out Contraflow. Hurricane Isaac brought a better understanding of the issue relative to the I-10 corridor in the New Orleans East area. GOHSEP and Department of Transportation representatives met to discuss for reentry purposes eliminating areas in this part of the corridor that may receive flooding during an event.

2. Update on Expert Panel on Greater New Orleans Hurricane and Storm Damage Risk Reduction System (HSDRRS) Design Guidelines - Dr. Clint Willson, Director of Engineering Design and Innovation, The Water Institute of the Gulf

Dr. Clint Willson, Ph.D., P.E., of the Water Institute of the Gulf explained that the Expert Review Panel of Greater New Orleans Hurricane and Storm Damage Risk Reduction System Design Guidelines: Final Report, dated May 21, 2014, was produced at the request of the CPRA. The CPRA tasked the Water Institute to put together an expert panel to review the HSDRRS Guidelines as of 2007 (the guidelines upon which the design of the system was based and not necessarily today’s guidelines). The panel’s objectives were: 1) assess the assumptions and analysis approaches in the HSDRRS guidelines and whether they are consistent, appropriate and state-of-the art, and 2) assess the justification for exceptions and waivers that were granted.

Dr. Willson reviewed the panel members and their qualifications, expertise and experience. The panel conducted a pre-meeting to review the documents and background material, which consisted of the following:

- Hurricane and Storm Damage Risk Reduction System Design Guidelines (2007)

- Waiver: Resiliency Design Checks for Inner Harbor Navigation Canal, Lake Borgne Basin
- Waiver: Steel Pile Corrosion Protection
- Waiver: Use of Spiral Welded Pipe for Foundations
- Waiver: Deflections of Proposed Inner Harbor Navigation Canal Floodwall

Dr. Willson explained that the panel also toured various components of the HSDRRS. The panel met in Baton Rouge over a two day period in July, 2013, to discuss the different components of the guidelines, including hydrodynamics and hydrology, geotechnical and structural engineering, resiliency and implementation. A report was prepared and released in May, 2014.

Dr. Willson reviewed the panel's major conclusions:

- Overall the assumptions and analysis approaches in the 2007 design guidelines are appropriate and consistent with practice.
- The justifications for waivers were generally appropriate and consistent with practice, with one exception—the use of sacrificial steel rather than coating the steel piles. The panel, particularly the geotechnical and structural engineering members, felt that use of sacrificial steel was not state of the practice for modern structures in the New Orleans and Gulf Coast area. There is no active monitoring system or active corrosion preventative measures put in place. The panel felt that the waiver will not negatively impact the performance of the system to-date. Active monitoring and measurements are needed for comparison to the design assumptions made relative to corrosion rates, along with continuing structural and geotechnical calculations to determine at what point the system may become weaker.
- Several design issues could affect the cost and effort required to operate and maintain the system (such as pile corrosion, armoring and differential settlement).

Dr. Willson advised that the panel recognized the need to continue the state of the practice hydrodynamic storm surge modeling. He reviewed the panel's overall recommendations:

1. Transparency and persistency in communicating risk to the public
2. Periodic update of risk assessment
3. Development of a formal program for long-term monitoring (particularly, corrosion)
4. Development of risk-based asset management
5. Improved collaboration between the USACE, State, Flood Protection Authorities and levee districts
6. Move toward the formation of a public-public partnership (Federal-State) to share in future operation and maintenance costs

Mr. Estopinal commented that the report indicates that the choice of thickening the steel is inconsistent with current state of design practices. He asked was there anything that could be done by the CPRA to attempt to obtain some type of contribution to assist in alleviating the tremendous future costs due to this poor design decision. The decision

to use sacrificial steel was based on expediency. It was noted that the system is designed for a 50-year life. Dr. Willson responded that he believes there are some active projects to begin looking at the corrosion rates. If corrosion is occurring, a determination must be made as to whether it is consistent with the design assumptions. Discussions have taken place between the USACE and State relative to the processes required to replace piles that no longer meet integrity requirements; however, it is not known who would pay this cost.

Dr. Willson advised that the panel did not review the surge model itself. Mr. Estopinal asked Dr. Willson's assessment of the modeling. Dr. Willson replied that this is not his area of expertise; however, he pointed out the need for continued updating of the bathymetry and modeling processes and better integration of the uncertainties.

Mr. Luetlich complimented the Water Institute on the report. He commented on three issues covered in the report that should be highlighted. 1) The need for a periodic evaluation and update on a five or ten year basis of the design tools that went into the development of system. He pointed out that there is no one in charge of doing this and that a clear plan should be laid out in order to accomplish this effort. 2) The geotechnical monitoring of the system for corrosion and settlement. He pointed out that the need for monitoring is recognized; however, a determination must be made as to who is in charge and can push this effort along. 3) The recognition of the challenges associated with armoring and levee lifts.

Mr. Kemp thanked the Water Institute for the clarity provided by the report. He reiterated the importance of the armoring issue. There are few ways to improve the reliability of the system with a relatively small expenditure. He expressed interest in the development of a program for armoring and armoring approaches. Dr. Willson advised that thought has been given to putting together an active workshop that would include experts in levee construction who understand geotechnical issues and armoring.

PUBLIC COMMENTS:

Janet Howard with the Bureau of Governmental Research (BGR) commented that the motion on the Board agenda relative to the dismissal of the SLFPA-E's lawsuit against various oil, gas and pipeline companies has monumental implications to the residents of Orleans, Jefferson and St. Bernard Parishes. Several weeks ago BGR wrote to the legislature to express concern that Senate Bill (SB) 469, its chosen vehicle for dispensing with the lawsuit, could eliminate the public's rights and causes of action. At the time BGR stated that it had no position on the merits or wisdom of the SLFPA-E's lawsuit. BGR firmly believes, however, that in disposing of the lawsuit the legislature should not take any action that would endanger or in any way limit the public's claims arising from damage to the wetlands that buffer the region. She stated that BGR is here today with the same message for the Board. BGR still has no position on the merits or wisdom of the lawsuit; however, it firmly believes that the Board should not take any action that could further jeopardize or limit the public's claims. In fact, the Board as the public's representative should proactively seek to preserve its rights and causes of action. Before taking any action, she asked that the Board explain to the public the implications of terminating the lawsuit. She explained that the type of dismissal matters

because at some future date the legislature could repeal SB 469 (Act 544) reinstating the cause of action that has been eliminated. If the dismissal is without prejudice, the Board would still have a claim; however, if the dismissal is with prejudice, there would be no hope for resuscitating a claim. It is incumbent upon the Board as representatives of the citizens of this region to do everything in its power to preserve the public's claims.

Sandy Rosenthal, founder of levees.org, commented on the group's support of the SLFPA-E's lawsuit against 97 oil, gas and pipeline companies. She commented that a statement was made by Mr. Hassinger in a recent article that taxpayers should not be paying to fix the damages to the coast caused by the oil companies; however, if the lawsuit is dismissed, the taxpayers would have to pay the increased cost for flood protection due to the loss of the wetlands. She stated that levees.org supports the lawsuit moving forward.

Mr. Hassinger clarified that what he stated in the article was that he was not going to vote to divert flood protection money in order to pay the lawyers on a suit that should never have been filed and that he was not going to ask taxpayers to pay more taxes in order to pay a legal bill that should never have been incurred.

Marlane Drake commented on the independence of the Board. She stated that her home flooded as a result of Hurricane Katrina and that she and her husband returned to New Orleans. Her late husband, a former president of the Louisiana Engineering Society, worked on the software program for the nominating committee for the SLFPA-E. She commented on the struggle for an independent board and asked that the Board allow the courts to make the decision relative to the oil and gas industry lawsuit.

Sandra Slifer commented that the League of Women Voters of Louisiana voted to support the lawsuit filed by the SLFPA-E and feels that the proper venue for determining the outcome of the lawsuit is in the courts, particularly with the questions raised by BGR and numerous attorneys. She urged the Board to stay the course, take the lawsuit to court and allow the judge to make a decision.

Steve Murchie reiterated the Gulf Restoration Network's support for the SLFPA-E's actions to hold the oil and gas industry accountable for the damages they inflicted to coastal Louisiana and the flood protection provided by the wetlands. He encouraged the Board to be steadfast in pursuing the lawsuit. He added that acting now to end the lawsuit would be telling taxpayers that they are responsible for paying for someone else's damage to coastal Louisiana and that the financial burden will be on the taxpayers to provide flood protection. It is appropriate to expect an industry that has destroyed approximately 600 square miles of coastal Louisiana to fix the coast that they broke.

Epsie Hennesy, a resident along the 17th Street Canal, commented that she is still angry that the SLFPA-E facilitated the removal of fences and trees in the 6-ft. vegetation free zone along the overbuilt levee in Lakewood South. She commented that a neighbor has a structure in the toe plus 6-ft. zone and was not required to remove the structure; therefore, there is unequal treatment of property owners. She stated that the property owners should be compensated and that the property should be returned.

Lt. Gen. Russel Honere (U.S. Army Retired), representing The Green Army, commented that arguments were made to the legislature concerning the exploration canals dug by the oil and gas industry that remain open; however, a decision was made to protect the oil companies because they have been good to the State of Louisiana. He stated that he hopes that the Board would remain independent and protect the people. Adjacent to the open canals are hundreds of miles of exposed pipeline. There are 6,000 abandoned oil wells, some of which are still leaking oil and many of which are in the area that lawsuit is attempting to protect. The industry claims that the law at the time allowed it to do what it did. He reminded the Board that it represents the citizens and urged the Board to be the independent board that it was intended to be and allow the lawsuit to move forward and the legal system to do its job. He commented that the recently passed legislation is retroactive and pointed out that this issue will add to the reputation regarding pollution in Louisiana.

David Francis, Associate Publisher with NOLA Media Group/The Times Picayune, commented that the Board's Finance Committee recommended the selection of the Times Picayune as its official journal. He offered to answer any of the Board's questions.

Dan Shea, President of the New Orleans Advocate, commented that the legislature unanimously approved legislation making the Advocate eligible to be the Board's official journal. He commented that the competition would reduce government costs and open up a more competitive aspect for the official journal. He commented on the flexibility offered by a seven day a week home delivered printed publication. He stated that the Advocate's rate is 16 percent less than the government authorized rate and that the Advocate would like to serve as the SLFPA-E's official journal.

COMMITTEE REPORTS:

Finance Committee: Mr. Tilly reported that the Finance Committee met on June 12th and considered a number of items which were forwarded to the Board for consideration.

Operations Committee: Mr. Estopinal advised that a report was received by the Operations Committee at its June 12th meeting on the Outfall Canal Erosion Study. The Committee rejected the report as being less than thorough in the analysis process and requested the consultant to resubmit the report with a more thorough approach on the analysis and causation of the erosion.

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

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

CPRA: Mr. Hassinger reported that the CPRA met on June 18th in Thibodaux, LA, and received several presentations. He discussed the presentation provided on the update of North and South Lafourche Levee District projects. Lafourche Parish has a population of approximately 65,000 people and over 250 miles of levees and 40 pump

stations. Ten projects are under construction, 10 projects are in final design and 39 projects are in the planning stages. Slides were shown at the meeting showing the growth of marsh outside of the levee system as a result of recent work. He suggested that the Board may wish to have the presentation provided at a future meeting. Mr. Estopinal noted that a closer relationship is needed between the SLFPA-E staff and the engineering side of the CPRA (particularly Rickey Brouillette) and that an update is needed on what the CPRA is doing relative to the monitoring process (particularly the monitoring of sheetpile corrosion and the vertical height modernization system). Mr. Hassinger advised that he would try to facilitate Mr. Estopinal's request.

REGIONAL DIRECTOR'S REPORT: Stevan Spencer, P.E., SLFPA-E Regional Chief Engineer advised that Robert A. Turner, Jr., SFLPA-E Regional Director, is en route to the Netherlands to participate in Peer Review 2014 Maeslant Barrier at the request of the Dutch. He reviewed the highlights of the Regional Director's Report (copy appended to the minutes). He noted that the certification work for the non-federal levees is ongoing and that a resolution has been placed on the Board agenda for approval to issue an additional task order to Tetra Tech that includes work at the Shrimp Factory in St. Bernard Parish. He also pointed out that the Mississippi River is currently at elevation 9-ft. and is expected to rise another one-half foot before the river level starts dropping.

Mr. Estopinal requested that the Board move on to New Business. There was no objection.

NEW BUSINESS:

RESOLUTION NO. 06-19-14-03 – RECOGNITION OF TIMOTHY P. DOODY

On the motion of Mr. Angers, Mr. Ben, Mr. Estopinal, Mr. Hassinger, Mr. Kemp, Mr. Luetlich, Mr. McHugh and Mr. Tilly, the following resolution was offered:

A resolution recognizing the commitment and contributions of Mr. Timothy P. Doody, CPA, to the Southeast Louisiana Flood Protection Authority-East and to the citizens of Louisiana.”

WHEREAS, after the devastation resulting from Hurricane Katrina, the Southeast Louisiana Flood Protection Authority-East was created by the Louisiana State Legislature to provide regional flood protection for the Lake Pontchartrain Basin area; and

WHEREAS, due to his outstanding qualifications and professional experience, Mr. Timothy P Doody, CPA, was selected to serve as a founding member on the Board of Commissioners of the Southeast Louisiana Flood Protection Authority-East (SLFPA-E); and

WHEREAS, Mr. Doody is a Certified Public Accountant with over 30 years of experience in the areas of finance and management; and

WHEREAS, Mr. Doody is an active participant in numerous professional and civic organizations, including the American Institute of Certified Public Accountants, Louisiana Society of Certified Public Accountants, Association of Legal Administrators, New Orleans Chapter, Operation Merry Christmas and the Knights of Columbus; and

WHEREAS, Mr. Doody served as President of the SLFPA-E from July 1, 2007 to June 6, 2014, and as SLFPA-E Treasurer from January 10, 2007 to June 30, 2007; and

WHEREAS, as President of the Board, Mr. Doody has worked tirelessly and has spent countless hours meeting with members of the Louisiana Congressional Delegation and the Louisiana State Legislature, Parish Presidents and other officials, and participating in meetings with Federal, State and local entities, including the U.S. Army Corps of Engineers and the Louisiana Coastal Protection and Restoration Authority, on the multi-billion dollar Hurricane and Storm Damage Risk Reduction System (HSDRRS) to ensure the delivery of a sound flood protection system to protect the lives and property of the people of Southeast Louisiana; and

WHEREAS, Mr. Doody aggressively advocated for a higher level of protection for the citizens of Southeast Louisiana and for the restoration and protection of Louisiana's coast; and

WHEREAS, Mr. Doody participated in numerous civic meetings informing the public about the HSDRRS and residual flood risks; and

WHEREAS, Mr. Doody also served as a Member of the Executive Committee of the Mississippi Valley Flood Control Association and on the Legislative Committee of the Association of Levee Boards of Louisiana.

BE IT HEREBY RESOLVED, that the Southeast Louisiana Flood Protection Authority-East hereby expresses its gratitude and appreciation to Mr. Timothy P. Doody for his dedication and contribution during his tenure as a member of the Board of Commissioners of the Southeast Louisiana Flood Protection Authority-East.

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

YEAS: Mr. Angers, Mr. Ben, Mr. Estopinal, Mr. Hassinger, Mr. Kemp,
Mr. Luettich, Mr. McHugh and Mr. Tilly

NAYS: None

ABSENT: Mr. Wittie

RESOLUTION NO. 06-19-14-04 - APPROVAL OF LEGAL INVOICES

On the motion of Mr. Luettich,

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

WHEREAS, the legal invoices submitted to the Southeast Louisiana Flood Protection Authority-East (SLFPA-E), East Jefferson Levee District, Lake Borgne Basin Levee District and Orleans Levee District listed on the spreadsheet entitled

“Legal Invoices Approved on June 19, 2014”, have been reviewed and approved by the appropriate levee district Executive Director, the SLFPA-E Regional Director and the SLFPA-E General Counsel, Robert Lacour, and provided to members of the Legal Committee.

BE IT HEREBY RESOLVED, that the legal invoices listed on the spreadsheet entitled “Legal Invoices Approved on June 19, 2014” are hereby approved.

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

YEAS: Mr. Angers, Mr. Ben, Mr. Hassinger, Mr. Kemp, Mr. Luettich,
Mr. McHugh and Mr. Tilly

NAYS: None

ABSENT: Mr. Wittie

**RESOLUTION NO. 06-19-14-05 - SELECTION OF OFFICIAL JOURNAL FOR
SLFPA-E, E.J.L.D., O.L.D. AND LBBLD**

Mr. Estopinal advised that the Finance Committee recommended the selection of the Times Picayune as the official journal for the SLFPA-E, East Jefferson Levee District and Orleans Levee District. He noted that the Committee considered the broader coverage provided by the Times Picayune. Mr. Angers inquired about the difference in cost between the Times Picayune and New Orleans Advocate and was provided a copy of a spreadsheet showing the proposed costs and a sample quote from the two journals. Mr. Luettich pointed out that the St. Bernard Voice was recommended as the official journal for the Lake Borgne Basin Levee District.

On the motion of Mr. Luettich,

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

WHEREAS, R.S. 43:171 provides that levee districts and other political subdivisions shall have the proceedings of their board and such financial statements required by the legislative auditor published in a newspaper, which shall be selected at the first meeting in June of each year for a term of one year; and

WHEREAS, R.S. 43:171 further provides that the newspaper shall meet certain criteria relative to location and publication; and

WHEREAS, the Times Picayune meets the aforementioned criteria for the Southeast Louisiana Flood Protection Authority-East, East Jefferson Levee District and Orleans Levee District; and

WHEREAS, the St. Bernard Voice meets the aforementioned criteria for the Lake Borgne Basin Levee District.

BE IT HEREBY RESOLVED, that the Times Picayune is hereby selected as the Official Journal for publications as required under R.S. 43:171 for the Southeast Louisiana Flood Protection Authority-East, East Jefferson Levee District and Orleans Levee District for a one year term commencing on July 1, 2014.

BE IT FURTHER RESOLVED, that the St. Bernard Voice is hereby selected as the Official Journal for publications as required under R.S. 43:171 for the Lake Borgne Basin Levee District for a one year term commencing on July 1, 2014.

BE IT FURTHER RESOLVED, that the SLFPA-E President, SLFPA-E Regional Director or appropriate Levee District Executive Director are authorized to sign any and all documents necessary to accomplish the above.

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

YEAS: Mr. Angers, Mr. Ben, Mr. Hassinger, Mr. Kemp, Mr. Luettich,
Mr. McHugh and Mr. Tilly

NAYS: None

ABSENT: Mr. Wittie

RESOLUTION NO. 06-19-14-06 - LOUISIANA COMPLIANCE QUESTIONNAIRES

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

WHEREAS, Section 327.08 of the Louisiana Governmental Audit Guide (the Guide) specifies that the Louisiana Compliance Questionnaire is a required part of any audit of Louisiana; and

WHEREAS, the Guide further specifies that the responses contained in the questionnaire should be reviewed by the governing body and approved in an open meeting.

BE IT HEREBY RESOLVED, that the Southeast Louisiana Flood Protection Authority-East approves the representations made by management in the Louisiana Compliance Questionnaires for the Southeast Louisiana Flood Protection Authority-East (SLFPAE), the Orleans Levee District, the East Jefferson Levee District and the Lake Borgne Basin Levee District for the fiscal year ending June 30, 2014.

BE IT FURTHER RESOLVED, that the SLFPA-E President, SLFPA-E Secretary and SLFPA-E Treasurer are authorized to sign the Louisiana Compliance Questionnaires.

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

YEAS: Mr. Angers, Mr. Ben, Mr. Hassinger, Mr. Kemp, Mr. Luettich,
Mr. McHugh and Mr. Tilly

NAYS: None

ABSENT: Mr. Wittie

RESOLUTION NO. 06-19-14-07 – FY 2014 SLFPA-E GENERAL FUND BUDGET REVISIONS

On the motion of Mr. Tilly,
Seconded by Mr. McHugh, the following resolution was offered:

WHEREAS, by Resolution No. 3-21-13-04, the Board approved the General Operating budget for the Southeast Louisiana Flood Protection Authority-East (SLFPA-E) for Fiscal Year 2014 to provide for required expenditures for personnel services, contractual and professional services, operating supplies, equipment, annual debt service and capital projects; and

WHEREAS, the transfer of the Police Chief expenditures to the SLFPA-E was not reflected in the original budget; and

WHEREAS, certain consulting work anticipated to be accomplished with Grant funds, has been delayed, resulting in a \$260,000 in reduction in spending and in related revenues; and

WHEREAS, professional services for engineering and consulting expenses were incurred.

WHEREAS, the following summarized adjustments are determined to reflect the currently projected financial results of the General Fund of the SLFPA-E based on the latest revenue and expenditure information:

**SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY – EAST
GENERAL FUND**

	Original Budget 2014	Recommended Changes	Revised Budget 2014
Operating Revenues:			
Reimbursement EJLD	333,450	51,700	385,150
Reimbursement LBBLD	138,650	6,600	145,250
Reimbursement OLD	648,350	85,700	734,050
Other Revenue	100	-0-	100
CDBG	331,773	(262,174)	69,600
Total Revenue	1,452,324	(118,174)	1,334,150
Operating Expenses:			
Personnel Services	478,650	99,100	577,750
Travel	40,900	(3,900)	37,000
Contractual	142,700	(2,650)	140,050
Materials & Supplies	14,800	(2,800)	12,000
Professional Services	434,774	(227,674)	207,100
Other Charges	335,400	24,750	360,150
Equipment	5,000	(5,000)	-0-
Total Expense	1,452,224	(118,174)	1,334,050
Surplus / (Deficit)	100	-0-	100
Beginning Unassigned Fund Balance	219,529		219,529
Ending Unassigned Fund Balance	219,629		219,629

BE IT HEREBY RESOLVED, That the revisions to the SLFPA-E Fiscal Year 2014 General Fund Budget are approved.

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

YEAS: Mr. Angers, Mr. Ben, Mr. Hassinger, Mr. Kemp, Mr. Luetlich,
Mr. McHugh and Mr. Tilly

NAYS: None
ABSENT: Mr. Wittie

RESOLUTION NO. 06-19-14-08 - EXTENSION OF LEGAL SERVICES CONTRACTS

On the motion of Mr. Tilly,
Seconded by Mr. Luettich, the following resolution was offered:

WHEREAS, the Southeast Louisiana Flood Protection Authority-East (SLFPA-E) by Resolutions Nos. 11-08-07-11 and 05-21-09-08 selected and approved a list of attorneys and law firms to provide legal services on an as-needed basis for the SLFPA-E and the levee districts within its jurisdiction; and

WHEREAS, the contracts with the aforementioned attorneys and law firms expired on June 30, 2012; and

WHEREAS, by Resolution No. 04-19-12-10, the SLFPA-E approved a one year extension of the contracts, extending the expiration date of said contracts to June 30, 2013; and

WHEREAS, by Resolution No. 05-16-13-06, the SLFPA-E approve a second one-year extension of the contracts, which shall expire on June 30, 2014; and

WHEREAS, it is the intent of the SLFPA-E to advertise and issue a Request for Qualifications for general legal services, subject to the appropriate State statutes; and

WHEREAS, in the interim there is a need to continue the current contracts to provide legal services on an as-needed basis.

BE IT HEREBY RESOLVED, that the SLFPA-E extends all existing contracts with the previously approved attorneys and law firms for a period of six months with said contracts expiring on December 31, 2014 and continuing with the same terms and conditions, subject to acceptance of the extension by the attorneys and law firms and approval by the Louisiana Attorney General.

BE IT FURTHER RESOLVED, that this Resolution be submitted to the Attorney General for the State of Louisiana for approval.

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

YEAS: Mr. Angers, Mr. Ben, Mr. Hassinger, Mr. Kemp, Mr. Luettich,
Mr. McHugh and Mr. Tilly

NAYS: None

ABSENT: Mr. Wittie

**RESOLUTION NO. 06-19-14-09 –
ISSUANCE OF RFQ FOR POSITION OF GENERAL COUNSEL**

Mr. Hassinger explained that with the change in membership and leadership it is important that the Board look into the marketplace to determine what legal talent is available to best advise the Board on a variety of matters that it must deal with on a

day-to-day basis. He suggested that a Request for Qualifications (RFQ) be issued and that the Board can then determine the best course of action. Mr. Luettich asked whether there is a standard of practice for reissuing RFQ's on this type of position. Mr. Hassinger responded that the position is generally readvertised on a two to three year basis depending on the entity.

On the motion of Mr. Hassinger,
Seconded by Mr. Angers, the following resolution was offered:

WHEREAS, the Southeast Louisiana Flood Protection Authority-East (SLFPA-E) and the levee districts under its jurisdiction desire to receive proposals for the position of general counsel to the Authority.

BE IT HEREBY RESOLVED, that the SLFPA-E authorizes the issuance of a Request for Qualifications for the legal services described above.

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

YEAS: Mr. Angers, Mr. Ben, Mr. Hassinger, Mr. Kemp, Mr. Luettich,
Mr. McHugh and Mr. Tilly

NAYS: None

ABSENT: Mr. Wittie

RESOLUTION NO. 06-19-14-10 - LEVEE LIFTS

Mr. Luettich advised that he interacted with Mr. Turner on the drafting of the resolution before the Board. He noted that this resolution is a follow up to a resolution adopted by the Board at its May 15th meeting that requests Congress to enact legislation authorizing funds expended by the Non-Federal Sponsor to lift HSDRRS levees to account for sea level rise and subsidence caused by localized consolidation, global, geologic sinking of the Mississippi delta, and other natural factors to be creditable to reduce the Non-Federal cost share requirements for the LPV and WBV Projects. Mr. Estopinal recommended that the resolution be forwarded to the USACE with a letter of introduction.

On the motion of Mr. Tilly,
Seconded by Mr. Luettich, the following resolution was offered:

WHEREAS, we have all learned many valuable lessons from the catastrophic loss of life and property caused by Hurricane Katrina in 2005; and

WHEREAS, one of the key lessons learned was the need to design and construct levee systems to be resilient enough to survive overtopping events; and

WHEREAS, the Interagency Performance Evaluation Task Force (IPET) report states, "Of the performance of HPS during Katrina, beyond the failure of four I-wall sections, it was the lack of resilience that stands out as a major factor in the ultimate flooding and losses..."; and

WHEREAS, the IPET report also states, "Structures must be designed to withstand overtopping and to prevent catastrophic breaching. Such capability would not only

have dramatically reduced the losses in New Orleans but also dramatically eased the burdens of recovery”; and

WHEREAS, the report further states that the design of the Hurricane and Storm Damage Risk Reduction System (HSDRRS) must be “conservative enough to accommodate unknowns ... and resilience should be factored into all designs to prevent catastrophic failures and to protect the integrity of the HSDRRS itself”; and

WHEREAS, following an investigation into Katrina levee failures by an External Review Panel of the American Society of Civil Engineers (ASCE), that group issued a Call to Action that included the following: “Make the levees functional, even if overtopped ... The levees need to be armored by resurfacing them with protective, non-erodible materials”; and

WHEREAS, the Southeast Louisiana Flood Protection Authority-East enthusiastically concurs with IPET and ASCE findings that armoring the levees to achieve resiliency must be a key element in HSDRRS design and construction in order to prevent catastrophic system failure for events that produce storm surges and waves exceeding the 100-year (1% annual chance exceedance) design requirement; and

WHEREAS, the U.S. Army Corps of Engineers (Corps) is finalizing plans to armor many of the HSDRRS levees to prevent scour and breaching that could occur during an overtopping event; and

WHEREAS, the Corps’ latest cost estimate for the armoring project is about \$250 million; and

WHEREAS, many of the HSDRRS levee segments that require armoring are undergoing rapid settlement due to a number of factors, including poor foundational soil conditions, and will require lifting in less than 10 years to maintain the calculated 100-year design elevation; and

WHEREAS, if these levees are armored before being lifted to account for that settlement, it will mean removing, discarding and replacing as much as \$183 million worth of the new armoring over the next nine years as additional lifts are added to various Lake Pontchartrain & Vicinity (LPV) and West Bank & Vicinity (WBV) levee segments; and

WHEREAS, about \$75 million worth of that armoring will be lost before 2017 when it is removed, after little more than two years of use, in order to lift the newest and most rapidly settling HSDRRS levees; and

WHEREAS, it is unwise and poor stewardship to waste millions of dollars armoring levees that must be lifted, some of them before 2017 and others before 2023, as the initial armoring will be discarded and replacement armoring bought and installed, all at taxpayer expense; and

WHEREAS, to avoid such waste and unnecessary costs and to extend the useful life of the Corps’ armoring effort, the Southeast Louisiana Flood Protection Authority-East has proposed lifting these levee segments before they are armored in order to achieve a minimum 10-year life for the initial armoring effort; and

WHEREAS, historically, in the decades prior to Hurricane Katrina, the Corps shared with its local Non Federal Sponsors the cost of building levees including successive lifts, as needed, to maintain required heights; and

WHEREAS, historically, levee-building and lifting project costs incurred by the Non Federal Sponsor were creditable by the Corps, thus reducing local costs; and

WHEREAS, such levee lifts were never intended to be an operation and maintenance requirement paid for exclusively by the Non-Federal Sponsor, as evidenced by Article II E of the Project Partnership Agreement for the LPV Project dated 22 September 2008 which states, "... Nothing in this Agreement is intended to require the Non-Federal Sponsor to perform future measures to restore the New Work to the authorized level of protection to account for subsidence or sea level rise as a part of its OMRR&R responsibilities."; and

WHEREAS, Corps attorneys now opine that current authorities prohibit the Corps from either sharing with the Non Federal Sponsor the cost of lifting these levees prior to armoring or from giving the Non Federal Sponsor credit for lifting them at local cost; and

WHEREAS, the Corps plans to begin armoring levees early next spring to provide extra resiliency to the HSDRRS, and decisions on pre-armoring lifts must soon be made; and

WHEREAS, the Corps District in New Orleans, the state Coastal Protection and Restoration Authority, which is the Non Federal Sponsor for the HSDRRS, and the Southeast Louisiana Flood Protection Authorities East and West, operators of the federal system, all agree that it is prudent to lift settling levees now before they are covered in millions of dollars worth of armoring and new sod; and

WHEREAS, raising these settling levees before they are scheduled to be lifted to account for sea level rise and regional subsidence will save tens of millions of dollars of future armoring costs; and

WHEREAS government decision-makers are obligated to work in concert to find methods and means to provide for the public's safety in the most fiscally prudent manner.

NOW THEREFORE BE IT RESOLVED that the Southeast Louisiana Flood Protection Authority-East hereby requests that the Corps' General Counsel reconsider the question of whether existing authorities for the Lake Pontchartrain and Vicinity Project would allow the Corps to share with the Non Federal Sponsor the cost of providing pre-armoring lifts of specific LPV levees within the HSDRRS and/or to give the Non Federal Sponsor credit for lifting them at local cost.

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

YEAS: Mr. Angers, Mr. Ben, Mr. Hassinger, Mr. Kemp, Mr. Luettich,
Mr. McHugh and Mr. Tilly

NAYS: None

ABSENT: Mr. Wittie

RESOLUTION NO. 06-19-14-11 - NON-FEDERAL LEVEE CERTIFICATION

On the motion of Mr. Luettich,
Seconded by Mr. Tilly, the following resolution was offered:

WHEREAS, the Maxent Levee in New Orleans East and the Forty Arpent Levee in the Lower Ninth Ward and St. Bernard Parish must be certified order to be accredited by FEMA for the National Flood Insurance Program; and

WHEREAS, by Resolution No. 11-15-12-06, the Southeast Louisiana Flood Protection Authority-East (SLFPA-E) approved the selection of Tetra Tech for the purpose of entering into a Contract with said consultant to provide the professional engineering services required for the non-federal levee certification effort; and

WHEREAS, the SLFPA-E entered into a contract with Tetra Tech, dated February 8, 2013, to provide the aforementioned services, with a not-to-exceed contract value of \$5 million; and

WHEREAS, the following task orders have been issued to Tetra Tech under the aforementioned contract:

Task Order No.	Description	Not-to-exceed amount
Task Order No. 1	Phase 1 - Needs Assessment	\$ 358,052.00
Task Order No. 2	Phase 2 - Subsurface Exploration Program	\$ 1,653,190.00
Task Order No. 3	Phase 2 - Additional Tasks to Support Levee Certification Report	\$ 1,360,743.00
Task Order Total		\$ 3,371,985.00

WHEREAS, Tetra Tech submitted a scope of work with a not to exceed amount of \$82,577 to modify the scope of work for Task Order No. 3 - Phase 2 of the Levee Certification work to include the following additional subtasks:

Subtask 1.0 - Continuation of Line of Protection

Subtask 3.0 – Operation and Maintenance Plan

Subtask 7.0 - Inspection Update

BE IT HEREBY RESOLVED, that the Southeast Louisiana Flood Protection Authority-East approves the issuance of Task Order No. 4 to Tetra Tech for the aforementioned additional subtasks for an amount not to exceed \$82,577, and authorizes the SLFPA-E Regional Director to sign said 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. Angers, Mr. Ben, Mr. Hassinger, Mr. Kemp, Mr. Luettich,
Mr. McHugh and Mr. Tilly

NAYS: None
ABSENT: Mr. Wittie

RESOLUTION NO. 06-19-14-12 - EJLD HEALTHCARE COVERAGE

Mr. Estopinal advised that this item was submitted to the Board without recommendation from the Finance Committee. Fran Campbell, East Jefferson Levee District (EJLD) Executive Director, explained that the Louisiana Office of Group Benefits (OGB) requested additional time to provide a quote in order to obtain additional information. Quotes have been received from Coventry with an 84.5% rate increase, Blue Cross with a 57% rate increase and United Healthcare with 51.4% rate increase. She advised that coverage can be extended for one additional month with the current provider (Aetna-Coventry), subject to the rate increase, while awaiting the quote from OGB. Mr. Tilly advised that the possibility of a one-month extension of the current coverage was discussed at the Finance Committee meeting. Ms. Campbell advised that at the current time the EJLD pays the entire cost of healthcare coverage for its employees; however, the employees pay the cost of vision and dental care.

On the motion of Mr. Tilly,
Seconded by Mr. Hassinger, the following resolution was offered:

WHEREAS, by Resolution No. 16-14-13-11 the Southeast Louisiana Flood Protection Authority-East authorized the procurement of healthcare coverage from Aetna-Coventry for the East Jefferson Levee District for a one year period commencing July 1, 2013 and ending on June 30, 2014; and

WHEREAS, the East Jefferson Levee District (EJLD) healthcare coverage will expire on July 1, 2014; and

WHEREAS, proposals have been obtained or are in the process of being obtained from several providers for said coverage; and

WHEREAS, the Board wishes to fully consider all options presented by the providers and determine the best course of action for long term coverage; and

WHEREAS, Aetna-Coventry has offered to extend the current coverage for a period of one month, subject to the proposed premium rate increase.

BE IT HEREBY RESOLVED, that the Southeast Louisiana Flood Protection Authority-East authorizes the extension of the current healthcare coverage with Aetna-Coventry for a period of one month, commencing on July 1, 2014 and ending on July 31, 2014.

BE IT FURTHER RESOLVED, that the EJLD Executive Director is authorized to sign any and all documents necessary to carry out the above.

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

YEAS: Mr. Angers, Mr. Ben, Mr. Hassinger, Mr. Kemp, Mr. Luetlich,
Mr. McHugh and Mr. Tilly

NAYS: None

ABSENT: Mr. Wittie

RESOLUTION NO. 06-19-14-13 - EJLD RENEWAL OF FLOOD INSURANCE COVERAGE FOR POLICE/MAINTENANCE COMPLEX

On the motion of Mr. Tilly,
Seconded by Mr. Hassinger, the following resolution was offered:

WHEREAS, the East Jefferson Levee District's (EJLD) Flood Insurance coverage for the Police/Maintenance Complex (1135 Lesan Drive) is due to expire in July, 2014; and

WHEREAS, a quote has been received to renew the aforementioned coverage from Wright National Insurance Company at a premium of \$2,054 for the Police/Maintenance Complex (1135 Lesan Drive - coverage: \$88,600 building and \$100,000 contents), and \$666 for the Sandbag Building (1135 Lesan Drive Rear - coverage: \$38,000 building and \$10,000 contents) for a one year period commencing on July 9, 2014 for the Police/Maintenance Complex and July 7, 2014 for the Sandbag Building.

BE IT HEREBY RESOLVED, that the Southeast Louisiana Flood Protection Authority-East approves the renewal of Flood Insurance coverage with Wright National Insurance Company as stated above, and authorizes the EJLD Executive Director to execute any and all documents necessary to carry out the above.

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

YEAS: Mr. Angers, Mr. Ben, Mr. Hassinger, Mr. Kemp, Mr. Luettich,
Mr. McHugh and Mr. Tilly

NAYS: None

ABSENT: Mr. Wittie

RESOLUTION NO. 06-19-14-14 - AUCTION OF SURPLUS ITEMS

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

WHEREAS, the East Jefferson Levee District (EJLD) intends to sell certain items by auction that have been determined to be surplus; and

WHEREAS, a notarized affidavit shall be executed by the EJLD Executive Director listing the items to be sold by auction, an estimated value of each item and certifying that the items listed are surplus.

BE IT HEREBY RESOLVED, that the Southeast Louisiana Flood Protection Authority-East authorizes the sale of surplus items by the EJLD by an auction and authorizes the EJLD Executive Director to execute any and all documents necessary to accomplish the above.

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

YEAS: Mr. Angers, Mr. Ben, Mr. Hassinger, Mr. Kemp, Mr. Luettich,
Mr. McHugh and Mr. Tilly

NAYS: None
ABSENT: Mr. Wittie

RESOLUTION NO. 06-19-14-15 - O.L.D. WORKER'S COMP INSURANCE RENEWAL

On the motion of Mr. Tilly,
Seconded by Mr. McHugh, the following resolution was offered:

WHEREAS, the Orleans Levee District's (O.L.D.) Workers' Compensation, USL&H & Employers Liability Insurance Coverage is due to expire on July 1, 2014; and

WHEREAS, Louisiana Worker's Compensation Corporation (LWCC) offered to renew the current coverage through the Morrison Insurance Agency for the period of one year, commencing on July 1, 2014 and ending on July 1, 2015 at 12:01 a.m., at a proposed estimated annual cost of \$203,746.00.

BE IT HEREBY RESOLVED, that the Southeast Louisiana Flood Protection Authority-East authorizes the procurement of Workers' Compensation Insurance coverage offered by LWCC through the Morrison Insurance Agency at an annual estimated cost of \$203,746.00 for a period of one year commencing on July 1, 2014, and authorizes the O.L.D. Executive Director to execute any and all documents necessary to carry out the above.

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

YEAS: Mr. Angers, Mr. Ben, Mr. Hassinger, Mr. Kemp, Mr. Luetlich,
Mr. McHugh and Mr. Tilly

NAYS: None

ABSENT: Mr. Wittie

**RESOLUTION NO. 06-19-14-16 –
RENEWAL OF O.L.D. PRIMARY FLOOD INSURANCE COVERAGE**

On the motion of Mr. Angers,
Seconded by Mr. Tilly, the following resolution was offered:

WHEREAS, the Orleans Levee District's (O.L.D.) Primary Flood Insurance Building and Contents coverage on the Franklin Administration, Loft and Warehouse buildings is due to expire on July 21, 2014; and

WHEREAS, the Wright National Insurance Company has offered to renew the current Primary Building and Contents Flood Insurance coverage for the Franklin Administration, Loft and Warehouse buildings through the Eagan Insurance Agency for a term of one year, commencing on July 21, 2014 and expiring on July 21, 2015 at 12:01 a.m., at a total cost of \$3,148.00.

BE IT HEREBY RESOLVED, that the Southeast Louisiana Flood Protection Authority-East authorizes the renewal of Primary Flood Insurance coverage for the Franklin Administration, Loft and Warehouse buildings with the Wright National Insurance Company through the Eagan Agency at a total cost of \$3,148.00 for a one-year term commencing on July 21, 2014.

BE IT FURTHER RESOLVED, that the O.L.D. Executive Director is authorized to execute any and all documents to carry out the above.

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

YEAS: Mr. Angers, Mr. Ben, Mr. Hassinger, Mr. Kemp, Mr. Luettich,
Mr. McHugh and Mr. Tilly

NAYS: None

ABSENT: Mr. Wittie

**RESOLUTION NO. 06-19-14-17 –
RENEWAL OF O.L.D. EXCESS FLOOD INSURANCE COVERAGE**

On the motion of Mr. Tilly,
Seconded by Mr. Hassinger, the following resolution was offered:

WHEREAS, the Orleans Levee District's (O.L.D.) Excess Flood Insurance coverage (\$1 million Building and \$1 million Contents) for the Franklin Warehouse building is due to expire on July 29, 2014; and

WHEREAS, the Lexington Insurance Company through the Eagan Insurance Agency has offered to renew the current Excess Flood Insurance coverage of \$1 million Building and \$1 million Contents for the Franklin Warehouse building for a term of one year, commencing on July 29, 2014 and expiring on July 29, 2015 at 12:01 A.M., at a total estimated cost of \$16,075.50.

BE IT HEREBY RESOLVED, that the Southeast Louisiana Flood Protection Authority-East authorizes the renewal of the aforementioned Excess Flood Insurance coverage for the Franklin Warehouse Building and Contents with the Lexington Insurance Company through the Eagan Agency at a total estimated cost of \$16,075.50 for one-year term commencing on July 29, 2014.

BE IT FURTHER RESOLVED, that the O.L.D. Executive Director is authorized to execute any and all documents to carry out the above.

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

YEAS: Mr. Angers, Mr. Ben, Mr. Hassinger, Mr. Kemp, Mr. Luettich,
Mr. McHugh and Mr. Tilly

NAYS: None

ABSENT: Mr. Wittie

**RESOLUTION NO. 06-19-14-18 –
CREATION OF NEW BANK ACCOUNT TO ESCROW FUNDS NECESSARY FOR SIGNIFICANT, PERIODIC MAINTENANCE TO COMPLEX STRUCTURES**

Mr. Spencer explained that the proposed escrow account is being set up so that money can be set aside to fund the dewatering and major inspection of the large complex structures (IHNC Surge Barrier and Seabrook navigation gates) that will be required in ten to fifteen years.

On the motion of Mr. Tilly,
Seconded by Mr. Angers, the following resolution was offered:

WHEREAS, the Orleans Levee District is responsible for operation and maintenance of several complex marine structures built by the U.S. Army Corps of Engineers to protect against storm surges; and

WHEREAS, the size and complexity of these structures will require the District to incur periodic maintenance costs that, together with other project costs and Operation and Maintenance (O&M) expenditures, will exceed any one-year revenue stream; and

WHEREAS, management believes that it is prudent to set aside funds annually in the Special Levee Improvement Fund, in amounts that can be funded by current revenue, and will accumulate to the amounts needed for the periodic maintenance noted above; and

WHEREAS, further that the District identify such funds as a commitment of the fund balance for that sole purpose.

BE IT HEREBY RESOLVED, that the Southeast Louisiana Flood Protection Authority-East approves the creation of a new bank account by the Orleans Levee District to escrow funds necessary for significant, periodic maintenance to complex structures and the annual deposit of funds into that account in amounts estimated by management and further approved by the Board, beginning with a deposit of \$2 million in this fiscal year, or as soon as practical.

BE IT FURTHER RESOLVED, that the Board approves the identification of such funds as committed to maintenance of complex structures.

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

YEAS: Mr. Angers, Mr. Ben, Mr. Hassinger, Mr. Kemp, Mr. Luetlich,
Mr. McHugh and Mr. Tilly

NAYS: None

ABSENT: Mr. Wittie

ORDINANCE NO. 1 - 2014

Mr. Estopinal read the ordinance in its entirety and conducted a roll call vote on the adoption of the ordinance.

The following ordinance was offered by Mr. Tilly and seconded by Mr. Kemp:

AN ORDINANCE LEVYING AND IMPOSING MILLAGE RATES AND ASSESSMENTS FOR TAX YEAR 2014 ON ALL THE PROPERTY SUBJECT TO TAXATION IN THE LAKE BORGNE BASIN LEVEE DISTRICT

WHEREAS, it is necessary for the Board of Commissioners of the Southeast Louisiana Flood Protection Authority-East, Louisiana, acting as the governing

authority of the Lake Borgne Basin Levee District, Louisiana (the "District"), to levy taxes and assessments for the year 2014;

BE IT ORDAINED by the Board of Commissioners of the Southeast Louisiana Flood Protection Authority-East, Louisiana, acting as the governing authority of said District, that:

SECTION 1. Operation and Maintenance Taxes. Under the authority of the Constitution and Laws of the State of Louisiana, the following millages for special taxes are hereby levied, assessed and imposed on all the property in the Lake Borgne Basin Levee District, Louisiana (the "District"), for the year 2014, for the respective purposes described below:

2014 Millage Rate	Election Date	Type of Tax	Years Authorized	Purpose
3.83	N/A	Ad Valorem	N/A	Constitutional Tax (LA Constitution Article VI, Section 39)
4.27	Oct. 17, 2009	Ad Valorem	2011-2020	Constructing and maintaining necessary levees, levee drainage, flood protection, and all other purposes incidental thereto
3.00	Nov. 15, 2003	Ad Valorem	2005-2014	Constructing and maintaining necessary levees, levee drainage, flood protection, and all other purposes incidental thereto

SECTION 2. Local or Forced Contribution. Under the authority of Part II and Sub-Part B of Part VI, Chapter 4, Title 38 of the Louisiana Revised Statutes of 1950, as amended, and specifically pursuant to LSA-R.S. 38:421 (F) and other constitutional and statutory authority supplemental thereto, a local or forced contribution of Sixty and 00/100 Dollars (\$60.00) per mile of railroad lines within the District is hereby levied and assessed for the year 2014, for the purpose of constructing and maintaining levees, levee drainage, and for all other purposes incidental thereto.

SECTION 3. Collection of Taxes. The proper administrative officials of the Parish of St. Bernard, State of Louisiana, are hereby empowered, authorized and directed to spread said taxes and assessment, as set forth above, upon the assessment roll of said Parish for the year 2014, and to make the collection of the taxes and assessment imposed for and on behalf of the District according to law, and the taxes and assessment herein levied shall become a permanent lien and privilege on all the property subject to taxation as herein set forth, and the collection thereof shall be enforceable in the manner provided by law.

Specifically, the Assessor of the Parish of St. Bernard shall extend said taxes and assessment on said assessment roll as required by law, and the Sheriff and ex

officio tax collector of the Parish of St. Bernard shall collect said taxes and assessment in the same manner as state taxes are collected and shall settle therefore with the State Treasurer, as provided by Section 404 of Title 38 of the Louisiana Revised Statutes of 1950, as amended; provided, however the proceeds of the tax levied by Section 3 of this ordinance shall be remitted to the District pursuant to the authority of Section 551.9 of Title 39 of the Louisiana Revised Statutes of 1950, as amended, and other constitutional and statutory authority.

Certified copies of this ordinance shall be forwarded to the St. Bernard Parish Assessor and to the St. Bernard Parish Sheriff and ex officio tax collector as complete authority to levy and collect the taxes and assessment herein provided.

SECTION 4. Publication. This ordinance shall be published one time in the official journal of District in the manner provided by law.

SECTION 5. Effective Date. This ordinance shall become effective immediately.

The foregoing ordinance was read in full; the roll was called on the adoption thereof, and the vote thereupon was as follows:

YEAS: Mr. Angers, Mr. Ben, Mr. Hassinger, Mr. Kemp, Mr. Luettich, Mr. McHugh
and Mr. Tilly

NAYS: None

ABSENT: Mr. Wittie

ABSTENTIONS: None

And the ordinance was declared adopted on this, the 19th day of June, 2014.

**RESOLUTION NO. 06-19-14-19 - CEA FOR CENTRAL WETLANDS
ASSIMILATION – RIVERBEND PROJECT**

Nick Cali, Lake Borgne Basin Levee District (LBBLD) Executive Director, advised that the Central Wetlands Assimilation – Riverbend Project is included in the CPRA Master Plan. SLFPA-E and LBBLD staff worked with the project engineers to ensure that there will be no impact to the non-federal levee.

On the motion of Mr. Tilly,
Seconded by Mr. Hassinger, the following resolution was offered:

WHEREAS, the Central Wetlands Assimilation – Riverbend Project will restore approximately 354 acres of critical wetlands in St. Bernard Parish using wetland assimilation of wastewater from the Riverbend Oxidation Plant; and

WHEREAS, the project is being funded through the Coastal Impact Assistance Program (CIAP) at an estimated cost of \$2 million; and

WHEREAS, a Cooperative Endeavor Agreement is required between the Lake Borgne Basin Levee District (LBBLD) and St Bernard Parish Government to permit the construction of the project.

BE IT HEREBY RESOLVED, that the Southeast Louisiana Flood Protection Authority-East authorizes the LLBLD Executive Director to execute a Cooperative Endeavor Agreement between the Lake Borgne Basin Levee District and St. Bernard Parish Government for the construction of the Central Wetlands Assimilation – Riverbend Project, subject to approval of the CEA by LLBLD counsel.

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

YEAS: Mr. Angers, Mr. Ben, Mr. Hassinger, Mr. Kemp, Mr. Luetlich,
Mr. McHugh and Mr. Tilly

NAYS: None

ABSENT: Mr. Wittie

EXECUTIVE SESSION:

1. *17th Street Canal Coalition, et al vs. Orleans Levee District and Southeast Louisiana Flood Protection Authority-East, Civil District Court for the Parish of Orleans, No. 2008-06979, Division L-6, consolidated with Terry and Nina Lonatro, et al vs. Orleans Levee District and Southeast Louisiana Flood Protection Authority-East, No. 2011-0097, Section N-8.*
2. *Board of Commissioners of the Southeast Louisiana Flood Protection Authority – East on Behalf of the Orleans Levee District v. Louisiana Department of Natural Resources, No. 563586, 19th Judicial District Court for the Parish of East Baton Rouge, State of Louisiana, Section 25; In re: Plaquemines Land Company, through its Successors in Interest, Carolyn C. LeBlanc, Nathan Carmadelle, Gustave W. Carmadelle, Jr., Lurnece C. Chantrey, Margaret C. Guidry, Trustees of the Arlene and Joseph Meraux Charitable Foundation, and Anne Pearson Potts v. Board of Commissioners of the Orleans Levee District, No. 55-774, 25th Judicial District for the Parish of Plaquemines, State of Louisiana, Division “B”; In re: Plaquemines Land Company, through its Successors in Interest, Carolyn C. LeBlanc, Nathan Carmadelle, Gustave W. Carmadelle, Jr., Lurnece C. Chantrey, Margaret C. Guidry, Trustees of the Arlene and Joseph Meraux Charitable Foundation, and Anne Pearson Potts v. Board of Commissioners of the Orleans Levee District, No. 61-051, 25th Judicial District for the Parish of Plaquemines, State of Louisiana, Division “A”.*
3. *Sid-Mar’s Restaurant and Lounge, Inc., et al v. State of Louisiana, et al, 24th Judicial District Court, Parish of Jefferson, No. 632-032, Division “K”*
4. *Borgnemouth Realty Company, Ltd. v. Parish of St. Bernard, et al, 34th Judicial District Court, Parish of St. Bernard, No. 112-833, Division “E”*
5. Review of action options for *“Southeast Louisiana Flood Protection Authority-East, et al, v. Tennessee Gas Pipeline Company, LCC, et al, Civil District Court for the Parish of Orleans No. 13-6911”.*

A motion was offered by Mr. Luetlich and seconded by Mr. Tilly for the Board to convene in Executive Session to discuss the items listed on the agenda. Mr. Hassinger offered a substitute motion to delete Item 5 from the list of items to be discussed in Executive Session. Mr. Estopinal noted that the purpose for having Item 5 for

discussion in Executive Session is that some of the information to be presented may be privileged and cannot be discussed in open meeting. The substitute motion was seconded by Mr. Angers and failed. The original motion for the Board to convene in Executive Session was adopted. The Board convened in Executive Session at 11:30 a.m.

A motion was offered by Mr. Hassinger, seconded by Mr. Angers and unanimously adopted for the Board to reconvene in regular session. The Board reconvened in regular session at 1:07 p.m.

Mr. Estopinal recognized Stradford Goins, a former SLFPA-E Board member.

Mr. Goins commented that one of his concerns when he was a Board member was the modeling for the design of the HSDRRS. The Water Institute of the Gulf's report did not provide a conclusion on whether the system actually meets the requirements of the 100-year level of protection. He stated that he still has concerns about the modeling and encouraged the new Board members to look into this issue. Of the 152 storms used in the modeling, the USACE advised that 50 were Category 3, 61 were Category 4, and 41 were Category 5; however, these were the storms at their peak strength. When the storms made landfall 45 were Category 2, 8 were a Category 3, and 27 were a Category 4 and none were a Category 5. Fifteen of the storms were excluded because the statistics only had to be reliable to a 90 percent confidence interval. Therefore, the system at best provides protection at a Category 3 storm level when it makes landfall. He stressed that if the modeling is wrong, then the levees will not meet the need.

Mr. Estopinal thanked Mr. Goins for his comments. He advised that the SLFPA-E commissioned a storm surge analysis and found that the USACE was deficient in its analysis. The SLFPA-E disagreed with the USACE's overtopping rates and heights and some of the methodology, particularly the still water confidence of 50 percent when it should have been a still water confidence of 90 percent. Mr. Goins reiterated that there is still a need to determine whether the modeling met the true requirements.

NEW BUSINESS (CONTINUED):

John Barry to discuss recent events relative to the oil and gas lawsuit.

John Barry commented on the use of sacrificial steel in lieu of coating on the sheet piles. He stated that he regretted suggesting that the SLFPA-E work inside the system rather than going to the press on this issue, which goes back to 2009. The only actual power that the SLFPA-E had was to require that the USACE do a peer review. The pilings went into the ground and the SLFPA-E is still waiting for the independent peer review report.

Mr. Barry stated that he wanted to correct a misunderstanding concerning the cancellation clause of the contract with the attorneys. The purpose of the clause was to give some protection to people who are working for the SLFPA-E and doing their jobs. There is always risk in a contingency fee contract. Attorneys routinely accept the normal risks, which is losing the case in litigation. In this instance, however, there were

additional risks that had nothing to do with legalities or going to court—it was political. He reiterated the purpose of the clause was to provide some assurance to people who are doing what the Board hired them to do and yet they are terminated without any possibility of compensation for doing their jobs. He pointed out that being non-political does not mean that the Board's decisions will not lead to political repercussions. Being non-political means that when the Board makes a decision, it is not letting extraneous political agendas influence the decision and that the Board's decisions are based on its responsibilities (i.e., protecting people's lives and property).

Mr. Barry discussed what has been accomplished in the past eleven months. Initially, there was a lot of concern from a lot of people that the entire reform process was being jeopardized by the lawsuit and that the legislature was going to gut the Authority and the nominating process that populates the Authority. The reform process emerged stronger than ever and withstood the head on attack from the two most powerful political forces in the State. Restore Louisiana Now, the non-profit organization formed after Mr. Barry's removal from the Board, did a rigorous academic study of the economic benefits of coastal restoration including job creation. Tim Ryan, former Chancellor of the University of New Orleans, conducted the study using standard methodologies. The study concluded that if coastal restoration (the Master Plan) is funded, depending on the level of funding, it would create between 112,000 and 209,000 jobs. He pointed out that even if the lawsuit proceeds and the Authority wins, it will still not be enough money and tax dollars will still need to be involved.

Mr. Barry stated that there was general denial of responsibility of the oil industry before the lawsuit started. He commented that levees are a factor, but not the only factor. Now, virtually everyone in the State recognizes the industry's responsibility. He commented on the powerful evidence of the industry's responsibility. There are 37 separate scientific studies, including studies by the industry itself, that recognize the industry's responsibility. The debate over causation has significantly shifted. He stated that every newspaper in the State that took an editorial position supported the lawsuit. The public also now understands the reality. Despite organized efforts by the opponents of the lawsuit and an extremely well funded advertising campaign, every poll ended up with the public supporting the lawsuit. One hundred and sixteen legal scholars have said that the legislative bill is dangerous to all sorts of claims. Between 14 and 19 bills were introduced in the legislature to kill the lawsuit; however, all but one bill was stopped.

Mr. Barry commented that any recent activity has been due to the lawsuit. He stated that when he, Mr. Doody and Mr. Lacour met with Garrett Graves on December 4, 2012, it was suggested to Mr. Graves that an option would be to talk with the head of the trade association for the major oil companies to determine whether something could be worked out instead of filing a lawsuit. Mr. Graves replied that he already tried that and that they are not there yet. In the next eight months before the lawsuit was filed, Mr. Graves never said anything about any conversation with the industry about moving forward. There have been conversations towards settlements that have been proceeding because of the lawsuit. The Attorney General has publicly stated that because of the lawsuit the industry would like to work out a statewide deal on a settlement. As long as the lawsuit remains alive, the leverage exists. If the lawsuit is

taken away, the conversations stop. He reminded the Board that this is about protecting people's lives and property. He pointed out that the recent bill passed by the legislature was so poorly written that it may or may not be unconstitutional. The attorneys think that even if it is constitutional, there is a huge loophole that would allow them to go forward. The Board is in a position to make some history.

Mr. Hassinger commented that when he asked at a previous meeting for who was the poison pill provision intended, Mr. Barry responded the legislature. However, today Mr. Barry clarified that the contract was drafted this way to protect the lawyers that the Board hired because they are taking so much risk. He stated that he did not appreciate a contract being drafted that obligates the Board to take on a legal obligation because Mr. Barry felt it is appropriate because lawyers are bearing risks. The contract is obligating tax payers' money that is supposed to be used for flood protection.

Mr. Barry responded that the primary reason for the provision is what he just stated. He added that it did not escape him, nor did he think it escaped other members of the Board at the time, that it was not strictly that and that it would also have, at least in his view, a deterrent effect. Obviously, it was not successful in deterring legislative activity. However, the primary purpose was not to deter the legislature. The primary purpose was, he felt personally and that he believed other members of the Board felt, the Board was hiring someone to do a job and a contingency fee entails risks, which is normal; however, there was an unusual risk here that may be unique in all contingency fee contracts ever written and this should be accommodated.

Mr. Hassinger commented that the reason it was unique was because what should have been done upfront was to work out an arrangement that could be brought to the legislature for authority; however, it was done in secret knowing the risk that the legislature could stop the action after the fact. Mr. Barry disagreed and pointed out that the Board as a whole decided to take action. He stated that he did not think that any public or private entity discusses litigation and strategies for litigation in open session. The Board had three different legal advisors to provide advice on whether the Board was complying with the open meetings law. In-house counsel, the Assistant Attorney General assigned to the Board and Jim Swanson, one of the attorneys representing the Board, advised that the notice of what the Board was doing was adequate and satisfied the open meetings law. He stated that as a former journalist he is very sensitive to freedom of information and open meetings. He noted that the two parishes that sued did not have conversations in public session about the suits that they filed. Therefore, what the Board did was standard procedure.

Mr. Angers commented that a video recording with Mr. Barry's testimony shows that it was the legislature that he sought to poison with the poison pill provision. He stated that it is unfair to state that all media outlets in the State are unanimous in their support of the lawsuit. He read a quote from a June 12th editorial in the Advocate, "There are reasons to be skeptical of this litigation, which was hatched in secret and is being pushed by attorneys who were chosen without the benefit of a public selection process and offered as much as 32.5 percent of the proceeds." There is earnest disagreement about the process and substance. He stated that he appreciated Mr. Barry's perspective, and that he and Mr. Barry agree on many things, but not on this issue.

Mr. Luettich asked how far back in time did some of the actions for which the Board is attempting to seek repair date. Mr. Barry replied that some of the actions go back 50 or 60 years; however, others are much more recent. Mr. Luettich commented that there has been quite a period of time for this to have worked its way through other channels. Mr. Barry explained that this is one of the Board's advantages and that the Board was designed and set up to be insulated from the political process. The inability of the political process to deal with this problem is one of the reasons the members of the Board decided that they had to go forward because there was no indication that there would be a solution without this action.

Mr. McHugh commented that Mr. Barry stated that this is not a political process and that the Board is not political; however, the Board just found out that the attorneys it hired spent over a million dollars in the political process during the past year. Mr. Estopinal pointed out that the Board is not being charged the million dollars that the attorney spent out of his own pocket.

Gladstone Jones to discuss recent events relative to the oil and gas lawsuit.

Gladstone Jones with the law firm of Jones, Swanson, Huddell & Garrison, LLC, explained that the 2006 reforms creating the Authority vested it independence in a singular mission—to protect peoples' lives and property within the jurisdiction from overflow. The reforms also explicitly gave the SLFPA-E the authority to develop measures for erosion control, marsh management and coastal restoration and set up a process for nominating SLFPA-E Commissioners to ensure that each would be uniquely qualified in flood protection and coastal issues. The people of the State of Louisiana voted the reforms into law by a margin of over 80 percent. The purpose was to make sure that the SLFPA-E had the independence and expertise to simply fulfill its mission of saving lives and property and provide real flood protection in the face of the threat that gets more dire as Louisiana loses more land. When the Board voted to pursue the case in February, 2013, and in June, 2013, it voted unanimously on the basis of its independence, mission and collective and individual experience. Courage and conscience drove the decision to say what others would not—that the oil and gas industry caused massive damage to the Louisiana coast and should fix what it broke. The Board did what the people of Louisiana asked it to do and put policy ahead of politics in flood protection. Since the case was filed not one of the oil companies has come forward to publicly deny that the oil industry has not caused the damage alleged in the 70+ page complaint. The position in the case has never been about whether the Authority got the facts right or wrong; it has been about whether oil had the political power to push the facts aside. He stated that since March they have been engaged in a very hectic legislative schedule. Over a dozen bills were filed by various representatives and senators that were designed to either impact the structure of the Board or interrupt the contract that the three law firms had with the SLFPA-E, along other substantive bills. After 85 days of the legislative session only one bill (SB 469) passed, which had been amended to apply retroactively. The bill was signed by the Governor and became Act 544.

Mr. Jones explained that Act 544 defines the entities in the government that can pursue claims related to activities in the coastal zone management plan (i.e., parishes, attorney generals and the Department of Natural Resources). Act 544 does not state that the SLFPA-E can pursue these claims. The bill does not mean that when it was signed into law by the Governor that the case is over or definitely stopped. The way the bill was structured, according to its authors and some of the legal counsel that worked on the bill, it would be signed by the Governor and become the law of the State of Louisiana and at some future time when the defendant oil companies begin their answers they will have the ability to raise Act 544 as a defense. The defense will be that the SLFPA-E as a result of Act 544 does not have the right of action to pursue damages to the coastal management zone resulting from activities in that zone and that the right is limited to the four entities identified in the Act.

Mr. Jones reviewed the history of SB 469. SB 469 (then called SB 531) headed to the Senate Judiciary Committee A on a Tuesday for a vote and was deferred because it was believed that the Committee did not have the votes to recommend the bill. On Wednesday at 6:18 p.m. he received an email attaching a new revised SB 469, which was to be heard the following morning in the Senate Natural Resources Committee at 9 a.m. The legal team consisting of three law firms stayed up all night attempting to determine the impact of SB 469. The bill was recommended by the Senate Natural Resources Committee as written and proceeded to the Senate floor and to the House.

Mr. Jones explained that the lawsuit was filed on July 24, 2013, at about 9 a.m. At about 4:30 p.m. the Governor demanded that the Board pull down the lawsuit. The Louisiana Oil and Gas Association (LOGA) filed a lawsuit challenging the Attorney General's approval of the Board's resolution. The suit filed by LOGA was defeated and referred to as being frivolous. He stated that the legislative bill changed dramatically between Tuesday and Thursday. The bill provides that local governmental entities, except those identified in the Act, are prohibited from suing for damages within the coastal zone management unit. The SLFPA-E is not a local governmental entity. Local governmental entity is specifically defined in the Louisiana Constitution. This is one challenge to the defense that would be raised by the defendants. He commented that it is believed that the bill as written is patently unconstitutional and that there are separation of powers issues. The bill also violates the Public Trust Doctrine and the concept of special or local law. It is believed that the bill was not properly advertised. There are a number of other challenges.

Mr. Jones stated that the bill was never designed to mean that at the moment it was signed by the Governor that the SLFPA-E's case was dead. It was designed to be used, if the defendants so chose, in the context of the case. He suggested that given the Board's history, mission and independence that it give serious consideration to pursuing the case. He stated that the SLFPA-E has a very good case. Not a single oil company has stated that it did not cause the damage; the oil industry has used its political clout using many lobbyists to try to have the case killed.

Mr. Jones added that no lawyer can ever guarantee success on any particular issue. All he can do is guarantee that they will knock themselves out trying because this case is that important. Also, he cannot advise the Board on what the Governor or the

nominating committee may or may not do. However, his best legal advice is that the Board pursues the case.

Mr. Estopinal requested that Agenda Items XIV. A. 2 and 5 be taken together. There was no objection.

Discussion of litigation entitled, “Southeast Louisiana Flood Protection Authority-East, et al, v. Tennessee Gas Pipeline Company, LCC, et al, Civil District Court for the Parish of Orleans No. 13-6911” (the oil and gas lawsuit). (and)

Motion to adopt a resolution to cease prosecution of the oil and gas lawsuit and to instruct counsel to file a motion to dismiss the suit.

A motion to adopt a resolution to cease prosecution of the oil and gas lawsuit and to instruct counsel to file a motion to dismiss the suit was offered by Mr. Hassinger and seconded by Mr. McHugh.

Mr. Hassinger stated that he would not repeat all of the discussions offered over the last several months. He addressed the points made today about the lawsuit. The Board is hearing a lot of false arguments about why it should go forward despite the fact that the House, Senate and Governor have all told the Authority not to go forward. The point was made that the Board is supposed to be an apolitical body; however, the Board was lectured about polls that were taken and the approval rating. Over a dozen bills were filed that impacted the Board and the lawsuit. The SLFPA-E by filing the lawsuit has become totally political. It was mentioned that money was spent during the legislative session to lobby passage or defeat of a bill, which is political. The point was made that the Board was to be independent. Independence does not mean that the Board operates in a vacuum. The SLFPA-E is one small board in a big State government and needs to cooperate with the legislature, the Governor and all of the other stakeholders in the issues. The Board’s general counsel in a previous meeting explained that the Board acted in secret so that the legislature would not do last year what it did this year. Mr. Barry’s explanation of the poison pill provision was that it was put into the contract not to protect the lawyers or because people deserve to be paid, it was done to try to prevent the legislature from taking action to stop the Board. The poison pill provision did not work. The legislature has spoken and elected officials set State policy. Whether the bill is constitutional or accomplishes what the legislature was trying to accomplish can be debated; however, the bottom line is the intent of the bill was to stop the SLFPA-E from doing what it was doing because it did in secret what it should have done in public. A big complaint is that the bill retroactively kills the suit; however, the actions of the Board last year were designed to place it in this exact position.

Mr. Hassinger acknowledged the point made by BGR that there is a big distinction between “dismiss with prejudice” and “dismiss without prejudice”. If the suit is dismissed with prejudice, it can never be brought again. If it is dismissed without prejudice, depending on other conditions, the suit can be reasserted. He stated that he would not have any objection if, in order to pass the motion, there is an amendment offered to make the dismissal without prejudice, so that the Board can retain whatever rights it has to reassert the suit in the future.

Mr. Hassinger commented that he was concerned that some of the Board members may be thinking at this point “what do we have to lose.” If the Board stops now, it owes the attorneys a great deal of money; if the Board keeps going and the case is lost in court, then it does not owe the attorneys anything. The problem with this argument is that other Board members may be replaced in the future and at some point there may be a clear majority to stop the suit, then additional fees and costs would have been incurred. He noted that this is the reason he made the point in the first meeting he attended that the contract is inappropriate because it tries to restrict future Boards from changing a course of action. The legislature can’t do it, the Governor can’t do it and the Board can’t do it, because it puts the SLFPA-E in a position where its financial stability is at risk. The suit may not be resolved for years. Therefore, by going forward the SLFPA-E is being put at risk if sometime down the road the Board decides not to go forward. He reiterated that at this point the Governor and legislature have told the Board what the policy of the State is and that it is not the SLFPA-E’s role to bring this suit. He stated that the Board has an obligation to follow their direction.

Mr. McHugh commented that although he does not deny that the oil companies have responsibility in coastal erosion, his question has always been, should the SLFPA-E have filed the lawsuit and is the SLFPA-E the correct entity to do so. The Board has a fiduciary responsibility with taxpayers’ money. Should anything happen that the case not go to court, the SLFPA-E today could be over \$7.5 million in debt to the law firm. There are 14,000 billable hours and about \$700,000 in hard costs. Should the lawsuit go on, the bill next year could be \$10 million and there is no guarantee that the SLFPA-E will not have to pay this bill. He stressed that the poison pill is poison to the Board and that the suit needs to be stopped before the bill increases.

Mr. Tilly asked Mr. Hassinger whether he was asked during his interview prior to his appointment to the Board whether he would vote for or against the lawsuit. Mr. Hassinger replied that no one asked his position on the lawsuit before he was appointed to the Board. Mr. Tilly stated that he was involved in meetings prior to the legislative session and that representatives of the oil companies were very close to coming to the meetings and discussing a settlement of the lawsuit; however, they decided to wait until after the legislative session to see what would happen. If the lawsuit continues, it will continue pressure on the oil industry to negotiate a settlement. If the lawsuit is cancelled, there will be no pressure or reason for the oil industry to negotiate a settlement that would provide money for coastal restoration. Mr. McHugh pointed out that there are two lawsuits by two parishes against the oil industry.

Mr. Angers clarified that Mr. McHugh provided a middle ground figure of roughly \$7.5 million for attorneys’ fees. He stated that today the attorneys’ fees range between \$2.8 million and \$11.2 million. After the end of June the attorneys’ fees will range between \$2.9 million and \$11.6 million. There is an additional \$600,000 to \$700,000 of hard costs, excluding lobbying, political and public relations costs that counsel is not billing the SLFPA-E. He stated that the Board members are still unable to obtain the attorneys’ hourly rates. However, 14,000 (soon to be 14,500) hours are being charged to the taxpayers at between \$200 and \$800 per hour. The Board members took an oath to professionally manage the SLFPA-E and have a fiduciary responsibility to the

taxpayers to do the work of the Authority. He stated that he is going to vote for the motion.

Mr. Luettich reminded the Board that there is over half a century of damage that is unrepaired in South Louisiana due to oil and gas activities. This impacts the lives, property and economy of the New Orleans area today and will continue to do so for generations to come. Enough time has passed that it is clear that the political will has not been there and is still not there to deal with this issue. The SLFPA-E was constituted to protect the New Orleans' area from future flooding and the surrounding marshes are an important part of the protection. The Board hired people to represent it in the lawsuit and ultimately they stand to get paid to do so. This is an investment of taxpayer money in flood protection for the New Orleans area. Until it is clear that the recent legislation is enforceable, he stated that he believes that the Board should continue to pursue all available means to protect the New Orleans area from future flooding. He stated that the lawsuit is an important part of the available means.

Mr. Ben commented that the issue was publicly vetted and ultimately the legislature made a decision. After considering the money that has been spent and that will potentially be spent going forward without any guarantees, and the fact that the Lake Borgne Basin Levee District is operating at a deficit and borrowing money to try to fund projects to protect St. Bernard Parish, he was inclined to say that he would rather see the money spent on projects to protect homes.

The motion to adopt a resolution to cease prosecution of the oil and gas lawsuit and to instruct counsel to file a motion to dismiss the suit failed, with Messrs. Angers, Ben, Hassinger and McHugh voting yea, and Messrs. Kemp, Luettich, Tilly and Estopinal voting nay.

The next regular monthly Board meeting will be held on July 17, 2015 and hosted by the East Jefferson Levee District.

There was no further business; therefore, the meeting was adjourned at 2:10 p.m.

SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - EAST

REGIONAL DIRECTOR'S REPORT

June 19, 2014

HSDRRS Project Status Update

IHNC-02 - Lake Borgne Surge Barrier Complex The Orleans Levee District (OLD) continues conducting monthly barge exercises, and on May 12, the OLD also conducted diving inspections at the three structures in preparation for the June 1 start of hurricane season. Prior to closing the gates, divers cleared some rock away from the area of the barge gate landing beams; the Army Corps of Engineers is looking into how the rocks came to be there. Additionally, on May 27, 2014, the bypass gate was floated and sunk across the bypass channel on the landing beams with 10' of water in the tank, then left overnight for the next day's Hurricane Season 2014 media event. Prior to floating it back, divers inspecting the landing beams observed that several have spalling. The Corps is looking into that report as well.

The Corps has now responded to the "Distress Report" filed as a result of the April 14, 2014, allusion that occurred when a string of barges under tow through the Sector Gate struck its northern leaf and southern leaf, causing what appears to be minimal damage to the fender system. The Corps determined that the damage does not affect the structural integrity of the gate, leaving it able to function as intended for the design conditions. However, the deformed surface of the steel support beam should be grinded and re-painted as early as possible due to its location within the splash/wake zone. The damaged fender should be inspected during routine structural inspections, and if additional cracking or splitting is observed, replacement is recommended. The USCG is still reviewing the incident.

IHNC-01 – Seabrook Complex The Corps continues to review the state Coastal Protection and Restoration Authority (CPRA) report on Vertical Lift Gate paint problems.

LPV-01.2 - Foreshore Protection Reaches 1&2 Work has begun to repair substantial erosion along the landward interface between the rock and the soil embankment. Although the work is weather dependent, the Corps hopes to finish placing new rock sometime next month. Previous Corps' efforts to repair this area were unsuccessful, and the agency postponed NCC issuance until September of this year.

LPV-109.02a - Levee Enlargement for South Point to CXS Railroad and US11 and US 90 Floodgates The work to address current and future problems resulting from excessive settlement of the Highway 11 floodgate is complete.

Repairs to the emergency by-pass road adjacent to the gate at Hwy. 11 is also finished and the slope pavement replaced. During a May 7 project "site ride" with OLD, the Corps and CPRA, vegetation encroachments, turf establishment issues and ruts/rills were noted. Those must be addressed before the final inspection, which is currently set for June 18. The Corps has scheduled this project for NCC at month's end.

LPV-111 - CSX RR to Michoud Canal Construction began March 31 to add up to 12 inches of fill to about 6,000 linear feet of levee currently below design grade; however, the work was stopped while an acceptable borrow source was sought. Work restarted this week once a new source was found. An additional 3,000 linear feet have been added to the project for raising by about six inches. The construction delay is also postponing NCC.

LPV-144 - Bayou Dupre The recent replacement of hinge and pintle assemblies has not fully corrected an issue in the west leaf, which emits grinding sounds when moving. Currently, the top bearing at the west leaf has been removed and is being worked on, but the problem persists.

LPV-145A - Bayou Bienvenue Bridge All but one of the pivot structure pilings have been driven, but the entire project won't be complete until the 2015 hurricane season.

LPV-149 - Caenarvon Structure The Corps is investigating paint peeling off the floodside skin plate of the Sector Gates.

LPV-149AR - Access Road at Caenarvon A pre-final inspection was held April 11, 2014, and final inspection is set for June 18, assuming turf is established.

LPV-149A - Floodwall Tie-in to the MRL at Caenarvon Construction is scheduled to finish by the end of June, but a final inspection is not yet scheduled.

Outfall Canals The installation of more sheet pile along the London Ave Canal and west side of the 17th St. Canal (OFC-07) is underway. The Corps hopes to accelerate this project, which is behind schedule partly because a contractor protested the original award. Contractors doing the work have submitted their plans for removing work barges from the canals if required to do so during the hurricane season. The project is not scheduled for completion until November.

As part of an environmental assessment, the 17th Street Canal bank protection project (OFC-08) underwent 30 days of public review. The Corps has responded to the review comments and finalized a "Finding of No Significant Impacts" Report. All rights of entry have been granted. The project is advertised and scheduled for award by the end of June; completion expected in January of 2015.

Permanent Canal Closures and Pumps (PCCP) Please check the New Orleans District web site www.mvn.usace.army.mil/missions/hsdrss/pccp.aspx for details and regular updates on this last major HSDRRS perimeter project.

Armoring The Corps is reviewing the Non-Federal Sponsor's comments to a revised version of the Armoring Engineering Alternative Report (EAR), and the award of system-wide armoring installation contracts is scheduled to begin this summer. Additionally, SLFPA-E, SLFPA-W and CPRA continue investigating with the Corps the possibility of raising some of these levees at local cost before they are armored. Raising them in advance of armoring could ultimately save local taxpayers millions of dollars in armoring replacement costs. A final meeting is to be scheduled between all parties next week to finalize which levees will get the additional lifts and to work out other details.

SBPS- 07 – Repairs to LBBLD Pump Stations #2 and #3 Construction bids were opened on June 11.

Mississippi River Projects

Jefferson Heights The first 10,000 linear feet of levee enlargement is complete and the seeding and fertilization is underway. Work on the next 10,000 linear feet will start shortly. A two-mile length of the bike path is currently out of service due to the construction that is adding height to the river levee in Jefferson Parish. As a levee section is completed, new material for the bike path base is placed.

Carrollton Project All levee enlargement work in Orleans Parish is complete, and only site cleaning remains. A final inspection will soon be scheduled.

Internal Affairs

Non-Federal Levee Certification

Geotechnical field investigations, lab tests and land surveying are complete in St. Bernard and Orleans. Geotechnical reports are being finalized for the Maxent/Paris levee and are 30% complete on the 40-Arpent levee. The O&M Manuals are 50% complete.

The initial sheet pile testing and assessment report for the 40-Arpent Levee indicates that a 2,500 linear foot section of piling requires spot repairs. During a site walk on May 21, it was determined that a 300-linear foot section of wall will require significant remediation.

Alternative designs for a new closure at the Shrimp Factory in St. Bernard were developed by the consultant and discussed with the property owner. The

preliminary cost estimate for this work is about \$3 million. LBBLD's request for \$2 million in state capital outlay funds to help finance the project was unsuccessful. The geotechnical scope of work will be revised to include \$225,000 for the design of the Shrimp Factory closure, but the revisions won't increase the overall cost because actual geotechnical costs were lower than estimated.

We meet bi-monthly with our consultant to discuss progress of repairs and alternate closures.

LBBLD O & M Funding Workshops A \$32,780 task order was executed with GCR to plan and facilitate workshops focused on how LBBLD will pay for the rising cost of operating and maintaining the greatly expanded HSDRRS levees, flood walls and floodgates in St. Bernard. The first workshop outlined the issues and challenges, and the second will identify and discuss possible solutions.

Training The OLD's Complex Structures Team continues to evolve its training program, becoming ever more familiar with the operation and maintenance of HSDRRS complex gated navigational structures.

Emergency Preparedness The Mississippi River, now around elev. 8.0', is expected to rise slowly for another foot before slowly falling.

Hurricane Season Preparation SLFPAE staff is accompanying the Coast Guard on regular boat rides to inventory barges in the IHNC that must be evacuated in advance of certain tropical storms and hurricanes. The tours will continue monthly throughout the 2014 season.

Exercises Each Levee District held pre-hurricane season preparedness meetings prior to June 1. A global Hurricane Tabletop Exercise was held on May 19 with the Corps, CPRA, both regional levee authorities, local levee districts, the National Weather Service and other partners. Additionally, HSDRRS complex gates and structures on the East Bank were operated on Wednesday, May 28, as part of another preparedness drill coordinated by the Corps.

Seawall Erosion Protection Project (Reaches 1A, 1C, 2A, 2C, 2D, 3A, 3B, 3C, and 5B) OLD is waiting for DEI to submit information in order to negotiate contract.

Meetings and Items of Note:

The next CPRA board will meet in regular session on July 16, 2014, at 9:30 am in the Buras Auditorium in Buras.

Levee District Construction Projects:

Project	District	Status	Comments
Seawall Steps Erosion – Phase 1B	OLD	95% complete	NC
OLD Franklin Facility Parking Lot Improvements Landscaping Plan	OLD	95% complete	NC
IHNC Florida Ave. Bridge Sheet Pile	OLD	100% complete	
Floodgate & Floodwall Repairs	OLD	60% complete	NC
MRT and IHNC Vegetation Removal	OLD	0% complete	Work delayed due to high river crest.
MRT Poydras to Canal vegetation removal	OLD	99% complete	Notice to Proceed issued
Seawall Steps Erosion Phase 4&5	OLD	3% complete	Notice to Proceed Issued

Levee District Project Designs and Studies

Project	District	Comments
Outfall Canals Erosion	OLD	Study 75% complete
Lakefront Seawall Area Reaches 4&5	OLD	Design complete; Construction Administration 3%
Lakefront Seawall Area Reach 2B	OLD	Design 60% complete
Floodgate Seal Repairs	OLD	Design complete; Construction Administration 60% complete
IHNC St. Claude Bridge Drainage	OLD	Design 35% complete.
Phase 1 for engine upgrades at Pump Stations 1&4 HMGP approved by FEMA	LBBLD	Design contract awarded; 65% complete project ongoing
Phase 1 for Safe Room Design HMGP approved by FEMA	LBBLD	Design submitted to FEMA Region 6 for Phase 2 approval
Pump Station #6 pump repair and hangers at P.S. #7	LBBLD	P&S at 100%; advertise when erosion control project is complete
Pump Station #6 Erosion Repair	LBBLD	P&S at 100%; advertise for construction bids in June 2014
Floodgate #9 renovation	LBBLD	LBBLD performing in-house ECD 6/27
Safe house & Consolidated Facility	EJLD	The architect is proceeding with the design. Eustis will have their geotechnical report complete next week. Acquisition of the essential remaining parcels for the new facility is being completed. Project team working to resolve traffic pattern concerns with adjacent cemeteries in advance of submitting a Planned Unit Development application to the City of Kenner by July 9th.