

**MINUTES OF  
SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY-EAST  
FINANCE COMMITTEE MEETING  
HELD ON JULY 19, 2018**

PRESENT: Mark L. Morgan, Chair  
Quentin Dastugue, Committee Member  
Richard A. Luettich, Jr., Committee Member  
Herbert I. Miller, Committee Member

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The Finance Committee of the Southeast Louisiana Flood Protection Authority-East (FPA or Authority) met on July 19, 2018, at the Franklin Avenue Administrative Complex, Meeting Room 201, 6920 Franklin Avenue, New Orleans, LA. Mr. Morgan called the meeting to order at 10:45 a.m.

**Opening Comments:** None.

**Adoption of Agenda:** The Committee adopted the agenda as presented.

**Approval of Minutes:** The Committee approved the minutes of the Finance Committee meeting held on June 14, 2018. Mr. Miller abstained from the vote on the approval of the minutes.

**Public Comments:** None.

**Regional Finance Director's Report:**

Kelli Chandler, Regional Finance Director, reviewed the highlights of her report and provided the following comments:

- Financial Software Packages - Ms. Chandler advised that she recently began earnestly evaluating accounting software packages starting with the system that is currently being used (Abila MIP Fund Accounting). She explained that as a result of a representative's recent visit to the FPA and the additional training that is being provided on MIP, staff discovered that the software package has a number of features or capabilities that are not currently in use (e.g., MIP offers a cloud based version that provides better backup, redundancies and other features). In addition, the Deputy Regional Finance Director is attending training this week at MIP headquarters in Austin. She pointed out that accomplishing a task in MIP may take a few more steps than other systems; however, the cost of an entire new system (acquisition and training) may not be justifiable simply because of the inefficiency of a few extra steps. Staff is focusing on reviewing and evaluating MIP's reporting capabilities to determine the extent to which it can be maximized and MIP's ability to interface with other systems, such as Laserfiche.

- Fiscal Year 2018 Financial Audit – Trial balances were provided to the auditor (Ericksen Krentel) on July 18th. The auditor will be at the FPA offices for approximately six weeks beginning July 23<sup>rd</sup>. Preliminary discussions have taken place on determining the value of the Permanent Canal Closures and Pumps (PCCP) in order to record the asset on the books.
- Process memos are provided to the auditor each year for review of internal controls and processes. The FPA's processes have dramatically changed over the past year; therefore, the memos are being rewritten. As part of the rewrite, staff is reviewing the processes for potential streamlining and automation.
- FEMA is pushing to close out Hurricane Katrina Project Worksheets (PW). The Grants Administrator has been extremely busy working with FEMA to close out Katrina PW's for the three levee districts.

## **New Business:**

### **A. Discussion of investment options and selection of an investment broker.**

Committee members were provided with a copy of the FPA's Investment Policy and schedule of current holdings. Ms. Chandler explained that she met with representatives of Edward Jones and United Wealth Management (a franchise of LPL Financial). Both firms are excellent and have reasonable fees based on trades. However, because of the potential for continuity issues when using a franchise, she recommended that Edward Jones be selected as the FPA's investment broker and that the FPA's portfolio be moved to Edward Jones. After the current holdings are moved to Edward Jones, recommendations will be made regarding additional investments to complete the portfolio and build out the ladder of diversity. An overview of current market conditions will be provided to the Committee next month.

A motion was offered by Mr. Luettich and seconded by Mr. Miller to select Edward Jones as the FPA's investment broker. The motion was adopted with Mr. Luettich, Mr. Miller and Mr. Dastugue voting in favor of the motion. Mr. Morgan abstained from the vote.

### **B. Discussion of the proposed award and execution of a contract with AOS Interior Environments, in the amount of \$966,347.64, for the Orleans Levee District Administration Building & Warehouse Renovation – Modular Partition System & Furnishings.**

Derek Boese, Chief Administrative Officer (CAO), explained that the proposed renovation will accommodate all of the staff relocated to the Franklin Avenue Facility and modernize the offices. A decision was made to utilize modular walls and furnishings and to acquire the modular features through the award of a supply type contract. An invitation to bid was advertised for the Modular Partition System and Furnishings and two bids were received. A third interested vendor did not meet specification requirements. The lowest responsive bid was submitted by AOS Interior

Environments. Bids for the construction of the renovations will be opened next week and action will be taken on the award of the construction contract at next month's meeting. The modular wall system and furnishings will plug into the construction work.

Mr. Boese explained that the construction work is anticipated to begin in September and last approximately eight months. The majority of the construction work (approximately six months) will take place in the Warehouse facility and includes changes to the concrete cinder block walls and HVAC and generator upgrades. The renovations to the Administration Building are anticipated to take about two months. The supplier of the modular system will work with the construction contractor during the renovations.

The Committee voted unanimously in favor of recommending that the Board award a contract to AOS Interior Environments for the Modular Partition System & Furnishings.

There was no further business; therefore, the meeting was adjourned at 11:00 a.m.