

**MINUTES OF
SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY-EAST
OPERATIONS COMMITTEE MEETING
HELD ON JANUARY 17, 2019**

PRESENT: Herbert I. Miller, Chair
Clay A. Cosse, Committee Member
Mark L. Morgan, Committee Member
Herbert T. Weysham, III, Committee Member

The Operations Committee of the Southeast Louisiana Flood Protection Authority-East (Authority or FPA) met on January 17, 2019, in the Franklin Avenue Administrative Complex, Meeting Room 201, 6920 Franklin Avenue, New Orleans, Louisiana. Mr. Morgan called the meeting to order at 10:00 a.m. Mr. Miller arrived shortly after the meeting commenced and took over as Chair.

Opening Comments: None.

Adoption of Agenda: The agenda was adopted by the Committee.

Approval of Minutes: The minutes of the November 29, 2018, Operations Committee meeting were approved.

Public Comments: None.

New Business:

A. Status report on implementation of I-STORM Peer Review recommendations.

Darren Austin, P.E. Mechanical, Complex Structures Engineer, provided an update on the progress of the implementation of the recommendations of the I-STORM peer review team. In May of 2018 the I-STORM peer review team, which included members from the UK (6), the Netherlands (4), U.S. Army Corps of Engineers (USACE) (3) and the Flood Protection Authority (3), visited and evaluated the IHNC Surge Barrier Sector and Barge Gates, Seabrook Complex and Bayou Bienvenue Lift Gate. I-STORM's adopted methodology was taken from the European Nuclear Regulatory industry. The data set and initial scope for the peer review consisted of eight items; however, the team split site safety into two separate items (general and electric) in the final report.

1. Site Safety: General
2. Site Safety: Electrical
3. Site Management: Housekeeping and Security
4. Documentation Development and Control
5. Operational Reliability and Risk Reduction
6. Asset Management

- 7. Training
- 8. Fire Protection
- 9. Emergency Preparedness

The I-STORM team collected 616 facts, which included 21 best practices, 116 strengths, and 479 areas of improvement. The final draft report was received in June and the FPA started work on the recommendations. The 479 areas of improvement included a number of duplications as a result of more than one team member reporting an item and intentional duplications because an item fitted into more than one scope. The FPA is looking into all 479 items (areas of improvement).

The first status report was provided to the Operations Committee on August 16th (two months after the report was received). The work on all 479 items was 40 percent complete. A schedule was presented that indicated an 18 to 24 month period to start the initiative on all nine theme areas. The issues are being addressed at all structures across the FPA and not just structures peer reviewed by I-STORM. The priority in August was training and site safety (approximately 100 of the items). As a result of the FPA's risk reduction measures, asset management and site security efforts, many of the items were in progress prior to the peer review. A database that will eventually include before and after pictures was developed to review the items with the Complex Structures Crew, track progress, and document and archive the history of the project.

Mr. Austin and Ryan Foster, FPA Engineer, participated in the I-STORM annual meeting held in the UK in October, 2018, and took part in workshops, meetings and tours. A report was provided on the I-STORM meeting to the Board. Mr. Austin reported to I-STORM members at the annual meeting on the post peer review deliverables. I-STORM members appreciated the feedback on the peer review.

The current progress on all 479 items is at 48 percent with eight percent of the progress being made since August.

	Long Term +2 years	Medium Term 1-2 Years	Short Term 6 Months - 1 Year
#SF 1	73	88	318
WIP/Complete	38	44	150
% Complete	52%	50%	47%

The FPA anticipates completing most of the short term items prior to next storm season. Some of the slow down currently being experienced relates to the need to order materials to complete the items. Medium term items involve the development of new policies, procedures or training. Long term items require USACE involvement. The FPA may consider not implementing some of the long term items because the value to be received may not be worth the effort to implement the item. A graph showing the current progress with a breakdown of the nine scopes was reviewed.

Safety will continue to be the priority until all safety issues have been addressed. The Phase One report on the risk reduction measures was received yesterday from Tetra Tech. Updates are continuing to the Asset Management Program. Trending information will be rolled out on the PCCP to predict future maintenance needs. The FPA is continuing its site security efforts. Some of the I-STORM items relate to having redundant staff. Two new members were hired for the Complex Structures Crew. The FPA hired a training specialist.

Mr. Miller commented that the items that the FPA decides not to address should be noted and marked completed. Mr. Austin confirmed that the items would be marked completed; however, they would first be brought to the Operations Committee for discussion and a final decision. The database will include the reasons for an item not being implemented. Mr. Miller requested a follow-up status report at the one year anniversary of the project.

B. Discussion of permit fees.

Mr. Boese advised that during the discussion of the next phase of the Permitting Management Software development, the Finance Committee requested that the staff review the FPA’s permit fees. Stevan Spencer, Chief Engineer, performed an analysis of the permit fees.

Mr. Spencer explained that permits are issued for work within 1,500 feet of the Mississippi River Levee (MRL) and 300 feet of the hurricane projection system.

	2017			2018		
	Residential	Commercial	Total	Residential	Commercial	Total
EJLD	60	41	101	58	41	91
O.L.D.	15	53	68	24	50	74
LBBLD	0	35	35	2	30	32

Current fees are \$50 for residential permits and \$100 for commercial permits. Based on the FPA’s in-house analysis, the actual in-house cost to process a residential or commercial permit (engineering and finance services) is \$300. Approximately \$16,000 of residential and commercial permit fees were collected in 2018. In addition, fees ranging from \$2,000 to \$3,000 were collected for blanket permits for entities such as Atmos and Entergy. Therefore, permit fees for 2018 totaled approximately \$22,000.

Mr. Boese recommended the Committee consider fees in the line of \$100 for residential permits and \$300 for commercial permits, which would have resulted in a total of \$45,000 for residential and commercial permits in 2018 and a total of \$50,000 with the inclusion of blanket permit fees.

Mr. Spencer advised that the FPA-West currently assesses fees of \$100 for residential permits and \$200 for commercial permits. The Pontchartrain Levee District does not assess permit fees. The Department of Transportation and Development (DOTD), Coastal Protection and Restoration Authority (CPRA) and USACE do not assess permit

fees. He agreed with Mr. Boese' recommendation regarding the revised permit fees. He pointed out that entities holding blanket permits must report any work performed under the blanket permit within the size of excavation specified by the USACE and must apply for a levee safety permit for work within 150 feet of the MRL.

Kelli Chandler, Regional Finance Director, explained that Phase 2 of the Permit Management Software development would reduce the time spent by Finance staff processing permit fees. Currently, staff receives notification that funds are received; however, the notifications do not identify the appropriate permits. It is difficult and time consuming for staff to reconcile the funds with the appropriate permits. Phase 2 of the software development puts in place a mechanism for including permit information with the receipt of funds. The \$300 cost for processing a permit includes fees charged by the on-line payment system and bank fees for processing permit funds.

Mr. Miller commented that the FPA should not be in the business of making a profit on services provided to the public and business community; however, the FPA should not be in the business of taking a loss. Therefore, he suggested that fees be tied to the actual cost of processing permits. He requested that staff return to the Committee with their recommendation.

Mr. Boese explained that the logic behind the recommendation of \$100 for residential permits and \$300 for commercial permits is that the permit cost is more of a burden on a residential permit applicant than a commercial enterprise. Entities contacted by the FPA that assess permit fees have different fees for residential and commercial permits.

Mr. Cosse commented that he personally went through the permit process when he constructed a house along the river. He pointed out that the project was shut down three times resulting in a financial cost due to the delay, in addition to the inconvenience experienced. He added that the FPA is financially in sound condition and is here to provide a service; therefore, he was not totally in favor raising permit fees.

Mr. Morgan asked whether there was any difference in the effort involved in a residential versus a commercial permit. Mr. Boese indicated that in general both take about the same amount of time. Mr. Spencer pointed out that some permits involve additional effort by staff; for example, when plans are not signed by a civil engineer or when a waiver is involved. Mr. Boese noted that the FPA does not assess fees to other governmental agencies.

Mr. Miller commented that the final revised fees may not match the costs and that the Board may decide to accept part of the cost; however, he would like the Committee to be provided with the total projections. Mr. Morgan added that it may be acceptable for residential permit fees to be slightly less than commercial permit fees since residents pay taxes and commercial enterprises requesting permits for construction may be located outside of the levee district's jurisdiction and may require additional consideration.

C. Discussion of the proposed extension of the Intergovernmental Agreement with the Coastal Protection and Restoration Authority for inspection services to be provided by Atkins North America, Inc., for a one-year period commencing on March 1, 2019 and ending on February 28, 2020, with the FPA's share of said services not to exceed \$124,800.00, for the Hurricane and Storm Damage Risk Reduction System features currently under construction.

Mr. Boese explained that the USACE will not meet its original contemplated completion date of summer, 2020, particularly with regards to armoring. Due to notification by the USACE of additional settlement taking place on LPV 111, it is anticipated that the levee lift/armoring project will go beyond the summer of 2020. Mr. Miller advised that he did not have an objection to extending the Intergovernmental Agreement (IGA) for one year since additional delays may occur. Mr. Boese noted that the project may go on for a year and a half based on the USACE's current schedule. Inspection services are invoiced and paid on an hourly basis. The inspection cost is shared 50/50 with CPRA since both entities have a vested interest in ensuring that the USACE's work is done properly.

A motion was offered by Mr. Morgan, seconded by Mr. Weysham and unanimously adopted, to recommend that the Board approve the one-year extension of the IGA.

There was no further business; therefore, the meeting was adjourned at 10:50 a.m.