

LOUISIANA RECOVERY AUTHORITY

Board of Directors Meeting

Louisiana State Capitol
House Committee Room 1
Baton Rouge, LA
Wednesday, October 15, 2008

DRAFT MINUTES

I. CALL TO ORDER

Mr. David Voelker, chairman of the Louisiana Recovery Authority (LRA), called the meeting to order at 9:08 a.m. at the Louisiana State Capitol in House Committee Room 1 in Baton Rouge, Louisiana. *(Note: Notices to the public and news media of the time and place of the meeting were given in compliance with the Louisiana Open Meetings Law.)*

II. PRAYER

Mr. Sean Reilly led the Board in prayer.

III. PLEDGE OF ALLEGIANCE

Mr. David Voelker led the Pledge of Allegiance.

IV. ROLL CALL

Ms. Fay Ayers called the roll.

Board Members Present:

Mr. David Voelker, Chairman
Rep. Karen Carter-Peterson
Mr. Jas Gill
Mr. Andy Guinn
Mr. Tom Henning
Mr. Ray Lasseigne
Ms. Pat LeBlanc
Mr. Walter Leger
Mr. Sean Reilly
Mr. John E. Smith
Senator Reggie Dupre, proxy for Senator Joel Chaisson, II
Representative Franklin Foil, proxy for Representative Jim Tucker
Senator Edwin Murray, proxy for Senator Sharon Weston Broome

Board Members Absent:

Mr. Rene Cross
Mr. Chet Morrison

Staff Members Present:

Ms. Fay Ayers
Ms. Lynn Bankston
Ms. Krystle Beauchamp
Mr. Dave Bowman

Ms. Dana Henry Pitts
Mr. Kimon Ioannides
Ms. Kim Jupiter
Ms. Robin Keegan

Mr. JC Ceaser
Mr. Dillon Couvillon
Ms. Lindsey deBlieux
Ms. Ashley Durand
Ms. JoAnn Early
Ms. Alexandra Evans
Ms. Amanda Guma
Ms. Sandra Gunner
Mr. Don Hutchinson

Mr. Ty Larkins
Mr. Darin Mann
Ms. Kristen Parnell
Ms. Marisa Robertson
Ms. Christina Stephens
Mr. Eric D. Shaw
Mr. Kris Van Orsdel
Ms. Alesia Wilkins-Braxton
Mr. Carl Williams

V. EXECUTIVE REPORTS

Chairman of the Board Report

Mr. David Voelker informed the members that Mr. Rainwater's mother had passed away, and asked that we keep his family in our prayers. Mr. Voelker introduced Ms. Robin Keegan, who will present the Executive Director's report.

Executive Director's Report

Ms. Robin Keegan, Deputy Director of the LRA, explained that the Board would vote on parish disposition plans, as well as the development of an action plan that will address the federal allocation for Community Development Block Grant (CDBG) funding for Hurricanes Gustav and Ike. She noted that Mr. Rainwater was embedded in the cities of New Orleans and Lake Charles during the hurricanes. The LRA Communications staff was lodged at the Joint Information Center around the clock to provide communications with the parishes, media and residents. Additionally, LRA staff volunteered to work at out-of-state shelters. The Governor issued an Executive Order on September 15, 2008, tasking the LRA with the lead in recovery issues from the two most recent storms. The LRA will serve as the mitigation team, and we have already requested a full cost share waiver from the Federal Emergency Management Agency (FEMA) for all Public Assistance (PA) categories. We have also requested that Hurricanes Gustav and Ike be combined and considered as one storm in order to reduce paperwork.

Housing is a critical issue. The LRA submitted to FEMA a list of options for housing to be made available for the most severely damaged parishes. The Disaster Housing Assistance Program (DHAP) was developed after Hurricanes Katrina and Rita, and has also been requested for Hurricanes Gustav and Ike. We continue to work through the CDBG program for affordable housing and are working on a comprehensive housing strategy to meet the demand. Additional funding may need to be requested in order to get extra housing units in order to meet the demand.

Ms. Keegan pointed out that there are three disposition plans on the agenda for approval. The Louisiana Land Trust, the Office of Community Development (OCD) and the LRA are working diligently so parishes that have approved disposition plans can transfer properties. In Orleans Parish, over 200 properties are ready to move to the New Orleans Redevelopment Authority (NORA), and the remainder of the properties are ready for environmental review.

One success has been our work with the Regional Transit Authority for projects that are viable. We now have 115 new shuttles.

We are working aggressively with the contractor for the Louisiana Cottages; we are looking to break ground this month and start construction in November, 2008.

VI. UPDATES/PRESENTATIONS

Cameron Parish Update

Ms. Tina Horn, Cameron Parish Administrator, informed the members that the parish was still capturing damages sustained from Hurricane Ike. The homes that were elevated and met wind codes survived with the least damage. Seventy miles of their coastline suffered erosion, and the Corps of Engineers has been assigned to do debris cleanup. Their biggest need is Individual Assistance (IA) with public housing. Cameron Parish is in dire need of temporary housing, and the need is urgent. Program managers are helping put together Project Worksheets (PWs). These program managers help keep the architects, engineers and contractors moving and on schedule. She recommended that every parish have a program manager. The parish has taken over the East wing of the hospital for the parish offices. If the parish could get some temporary housing, they could move forward quickly.

Mr. Sean Reilly asked the source of funds to pay for the program managers.

Ms. Horn explained that these funds are included in the PWs.

Mr. Tom Henning stated that several million dollars had been invested in the Cameron Parish Hospital, which survived the storm surge for Hurricane Ike because it was built stronger and smarter. He added that the storm surge for Hurricane Ike was higher than it was for Hurricane Rita.

Ms. Horn noted that the biggest problem in Cameron Parish is snakes and alligators.

Mr. Henning asked if the Holly Beach area survived Hurricane Ike.

Ms. Horn stated that those who did not comply with the elevation and wind code did not survive.

Mr. Walter Leger asked if the hospital was elevated high enough.

Ms. Horn commented that she wished they had elevated the hospital just a couple more feet. There was more of a surge with Hurricane Ike, but there were not as many tornadoes as with Hurricane Rita.

Mr. Leger asked what FEMA was telling Cameron Parish about temporary housing and what solutions were being offered.

Ms. Horn explained that the parish had requested a voucher system where residents could buy a recreational vehicle (RV) and FEMA could save the set-up funds. The RVs could also be used while rebuilding. She said the only choice is a mobile home or an RV.

Mr. Leger asked if FEMA had presented any plan.

Ms. Horn replied that FEMA wants the state to tell them what is needed.

Ms. Robin Keegan informed the members that we had asked each parish for their input. Cameron Parish responded quickly; however, some parishes are having difficulty determining their needs.

Ms. Horn stated that there are no ground units available in Cameron Parish. They were housing Hurricane Katrina victims at the campground, and people's credit cards are maxed out and they do not want to stay at a shelter.

Senator Reggie Dupre asked about the difference in the storm surge.

Ms. Horn explained that Johnson Bayou experienced a 15-foot storm surge from Hurricane Ike, where it was only a 12-foot surge for Hurricane Rita. The Courthouse had water seep into the basement from Hurricane Ike but it was clear water, and there was no broken glass. During Hurricane Rita, there was debris and mud in the Courthouse. She reiterated that those who elevated survived Hurricane Ike.

Senator Dupre commented that the new building codes were making a difference. New commercial buildings survived where older buildings did not.

Mr. Andy Guinn asked about the new school that is being constructed and elevated in Creole.

Ms. Horn said the lowest beam is at 15 feet above sea level, so the school will be fine.

Terrebonne Parish Update

Mr. Michel Claudet, Terrebonne Parish President, stated that Hurricane Gustav did the most damage of the two largest storms that hit Terrebonne Parish. There was no sewer, no hospital and there was no potable water. Only 800 structures are unlivable. Nearly everyone evacuated, but there were substantial problems in getting back home because reentry was delayed. People were disappointed that FEMA did not issue credit cards with this storm.

Mr. Claudet noted that Terrebonne Parish is 200 miles from the coast, but they suffered significant flooding because there is no hurricane protection; they only have drainage levees. There were 15,000 structures that suffered significant damage, and the parish has requested \$11 million in Hazard Mitigation Grant Program (HMGP) funding to assist with elevations. CDBG funds will be used for drainage levees. Additional challenges are debris removal, clogged sewer lines, and storm drains that need to be cleared.

The biggest problem in Terrebonne Parish is the lack of housing in the immediate area. FEMA has been extremely slow in their response to the housing crisis. Reverend Al Sharpton was going to visit Houma, Louisiana, but couldn't find any available lodging. There are no more FEMA trailers, and now it's being said that the park model homes will have to be elevated.

Mr. Claudet said the response by state and volunteer agencies was wonderful. Also, the Unified Command worked well, but there was no communications for 30 hours. The National Guard contacted Washington, D.C., and a satellite was repositioned so the area could receive communications. He commented that it would be nice if the federal government could see the importance of Port Fourchon and the Louisiana Offshore Oil Port (LOOP).

Senator Reggie Dupre explained that Hurricane Gustav was a direct hit to Terrebonne Parish, which was easier to recover from than Hurricane Ike that made landfall 200 miles away. There were 800 homes severely damaged by Hurricane Gustav, and thousands damaged by Hurricane Ike. He pointed out that CDBG funds cannot be used for federal levees. The Morganza-to-the-Gulf project includes non-federal levees and is eligible for CDBG funds. The Coastal Protection Restoration Authority (CPRA) is working with the federal government for additional funding for this project, but he questioned the timing.

Ms. Robin Keegan said that we are asking for inclusion of federal levees as an eligible cost.

Senator Dupre asked the difference between a travel trailer and a park model unit.

Ms. Keegan replied that travel trailers can move and park models are more permanent structures and have lesser levels of formaldehyde. Requests for housing assistance continue to come in to the LRA from other parishes, and include residential trailers, travel trailers, mobile homes, as well as requests for elevation waivers in order to get the trailers in place.

Senator Dupre stated that he liked the idea of combining the storms into one disaster. He said there is a huge difference between HMGP and CDBG funds used for elevations. The CDBG funds can be put back into commerce. He asked if there was any possibility for a waiver on the HMGP funds for an identical rule.

Mr. Sean Reilly interjected that we have scars on our backs from making that request previously.

Mr. Walter Leger commented that he discovered that power struggles exist between agencies. Ultimately, we were advised that FEMA did not want to let go of any funds to the U.S. Department of Housing and Urban Development (HUD). CDBG funds have the least amount of strings attached, but he said he didn't know how any funds are ever distributed. The Stafford Act needs to be rewritten, and Hurricanes Gustav and Ike bring this to the forefront once again.

Mr. Reilly noted that it is difficult to get individual mitigation funding to the people. There needs to be a healthy debate about the use of these dollars, and the need to protect communities versus individuals.

Mr. Leger said the central Gulf was hit hard. Hurricane Katrina brought national attention to New Orleans and the difficulties in recovery. The work of the LRA heightened media attention that this could be a recurring problem and that we need to focus on community mitigation. The Average Base Flood Elevations (ABFE) was adopted by Terrebonne Parish and new flood maps are being prepared. The elevation of structures in Terrebonne Parish made a big difference when they were hit by the recent storms.

Mr. Leger commented that this was difficult to do politically, and we should be proud of our accomplishments. We need to continue to make tough decisions for the future. Several people traveled to the Netherlands after Hurricanes Katrina and now the Dutch have returned with a proposal. They suggest we build as far out as possible. Coastal restoration has not been addressed since Hurricanes Gustav and Ike. The Mississippi River Gulf Outlet has been closed and the new levees were overtopped. The local levees held, but they are still not high enough. We need to focus on coastal protection.

Mr. Claudet said the focus needs to be on barrier islands, build up of the marshes and wetlands, and the levees need to be redundant. He noted that Terrebonne Parish is the largest economic parish in the region.

Mr. Leger stated that it was not just the storm surge, but overtopping of levees that remain a threat. We need to focus on protection and rebuild the wetlands.

VII. ACTION ITEMS

Approval of Minutes from the July 30, 2008 LRA Board Meeting

Mr. Walter Leger offered a motion to approve the minutes of the July 30, 2008, LRA Board meeting. There being no comments or corrections, upon motion duly made and seconded by Mr. Tom Henning, the following resolution was unanimously adopted:

Approval of the Minutes and Ratification of Actions Taken at the July 30, 2008, Meeting of the LRA Board.

RESOLVED, that the minutes of the meeting of the LRA Board held on July 30, 2008, as presented at this meeting, are hereby approved and all actions taken by the Board presented at such meeting, as set forth in such minutes, are hereby in all respects approved as actions of the LRA Board.

Voting: Dupre, Foil, Gill, Guinn, Henning, Lasseigne, LeBlanc, Leger, Martin, Murray, Reilly, Smith, and Voelker.

Cameron Parish Property Disposition Plan Resolution

Mr. Ernie Broussard, Executive Director of Planning for Cameron Parish, presented the Cameron Parish Property Disposition Plan resolution.

Mr. Sean Reilly offered a motion to give final approval to the resolution for the Cameron Parish Property Disposition Plan. The motion was seconded by Mr. Walter Leger.

Final Approval of the Cameron Parish Property Disposition Plan Resolution.

RESOLVED, that the Board hereby accepts and approves the Cameron Parish Property Disposition Plan resolution.

Voting: Foil, Gill, Guinn, Henning, Lasseigne, LeBlanc, Leger, Martin, Murray, Reilly, Smith, and Voelker.

St. Bernard Parish Property Disposition Plan Resolution

Mr. Walter Leger presented the St. Bernard Parish Property Disposition Plan resolution.

Mr. Leger introduced Mr. Craig Taffaro, Jr., St. Bernard Parish President. Mr. Leger said the planning process included some hard decisions, such as the significant funding required for the maintenance of the Louisiana Land Trust (LLT) properties. St. Bernard Parish has lower operating capital than Orleans Parish, and St. Bernard Parish is still operating out of trailers.

Mr. Craig Taffaro noted that the plan is multi-faceted. The Lot Next Door program has several phases. The first phase offers the properties to those who own adjacent property or have indicated that they will return. Property between two lots will be split. If those owners are not interested, then the rear property owner can make an offer. Also included in the plan is discouragement to build on low-lying elevations by providing an equal swap of property that is out of harms way. St. Bernard Parish has also started discussions with nonprofit agencies to build affordable housing for teachers, firefighters, sheriffs and government workers. They are also looking at drainage issues and the use of some lots for water retention areas while the water is being moved to a drainage site. The redevelopment strategy includes resizing of lots to encourage all levels of redevelopment. The Request for Proposal (RFP) for the redevelopment effort is currently being prepared.

Mr. Roy Martin asked if there is a standardized public notice and how long the parish is allowing for the right of first refusal.

Mr. Taffaro explained that the process was approved at the local level. They presently have 1,300 property owners who have expressed interest, and the owners will have 30 days to exercise their options. The parish will work with the LLT to prioritize the properties.

Ms. Pat LeBlanc asked about the projection of 7,800 properties in this program.

Mr. Taffaro commented that this was an initial early projection, but the number is now nearing 5,000 properties. He said this is the first time local government has ever had to do something like this. St. Bernard parish has a rural background, but they are now competing with surrounding metropolitan areas. The parish will be able to fix some things as they take ownership of the properties to bring them back into commerce.

Mr. Jas Gill asked about the cost estimates of \$695 - \$1400 to maintain each property. He asked whether the plan is aggressive enough and if they are looking at an outside source of funding.

Mr. Taffaro stated that the parish is not anticipating receipt of all the properties at once. The parish will work with LLT on the transfer of the properties, and will partner with private developers to share the costs and liabilities.

Mr. Walter Leger offered a motion to give final approval to the resolution for the St. Bernard Parish Property Disposition Plan. The motion was seconded by Mr. John Smith.

Final Approval of the St. Bernard Parish Property Disposition Plan Resolution.

RESOLVED, that the Board hereby accepts and approves the St. Bernard Parish Property Disposition Plan resolution.

Voting: Dupre, Foil, Gill, Guinn, Henning, Lasseigne, LeBlanc, Leger, Martin, Murray, Reilly, Smith, and Voelker.

Terrebonne Parish Property Disposition Plan Resolution

Ms. Jennifer Gerbasi, Recovery Planner for Terrebonne Parish, presented the Terrebonne Parish Property Disposition Plan resolution. She said there is no rental capacity in the parish; there are only nine units that HUD would approve for rental housing. Their main focus is housing for the workforce and for the elderly. Green space and ecological value is also important, and several nonprofits are available to help with the rebuilding.

Senator Reggie Dupre asked if the parish had considered giving a right of first refusal to the Terrebonne Levee District for hurricane protection. He also asked what happens when there is not a clear title to the properties.

Ms. Gerbasi explained that the LLT prefers to keep possession of the properties until the parish has the final disposition to the final owner.

Ms. Sandra Gunner, LRA Intergovernmental Affairs and Community Development Director, noted that all properties will be transferred to the parishes with clear titles. This responsibility is in the LLT cooperative endeavor agreement and they have the legal authority to obtain the titles.

Mr. Walter Leger pointed out that the LLT gets the properties from Option 2 of the Road Home program, and the title must be clear at that time. This has caused some delays in the Road Home program.

Senator Reggie Dupre offered a motion to give final approval to the resolution for the Terrebonne Parish Property Disposition Plan. The motion was seconded by Mr. John Smith.

Final Approval of the Terrebonne Parish Property Disposition Plan Resolution.

RESOLVED, that the Board hereby accepts and approves the Terrebonne Parish Property Disposition Plan resolution.

Voting: Dupre, Foil, Gill, Guinn, Henning, Lasseigne, LeBlanc, Leger, Martin, Murray, Reilly, Smith, and Voelker.

Hurricanes Gustav and Ike Preliminary Plan

Ms. Robin Keegan presented a resolution to the Board requesting their approval for staff to develop an action plan to create disaster recovery programs designed to assist the state in recovering from damages and losses caused by Hurricanes Gustav and Ike and to allocate funds provided by Congress. The state will develop the programs and templates, and provide menu options to the parishes. The parishes will devise an individual parish plan that will be submitted to the LRA Board of Directors. There are 43 parishes that are eligible for FEMA funding and have received the Individual Assistance (IA) designation. LRA has an aggressive schedule to reach out to the parishes over the next two weeks.

Senator Edwin Murray asked about the Louisiana Cottages Program and the plan for the remaining \$72 million in this program. He wanted to know why it was taking so long and costing so much.

Ms. Robin Keegan responded that the size of the program increased at the request of the city of New Orleans. The pilot program requires specific requirements.

Mr. Walter Leger pointed out that the Jeremiah Group had requested a new program for first-time homeowners and costs provided for that program are \$130,000-\$160,000 per home for construction costs alone. These costs do not include the cost of the land.

Mr. David Voelker noted that the state is paying \$150,000 per cottage. He asked Mr. Wil Jacobs to provide Senator Murray a briefing on the Louisiana Cottage Program.

Senator Murray asked if we could use some of the LLT properties.

Ms. Keegan commented that the timelines between the programs were not the same. She said she would provide additional information to Senator Murray after the meeting.

Mr. Leger noted that the original timeline for Louisiana Cottages was 1-1/2 years ago and there was no LLT then.

Representative Karen Carter-Peterson asked how many Louisiana Cottages had been built.

Ms. Keegan explained that none had been built; however, four sites are scheduled for groundbreaking this month. The LRA took over the Louisiana Cottages contract in March, 2008, and we have been moving forward to get the units built. We share the legislator's frustration. The timeline for completion of a cottage is 6-8 weeks, with the final date of the contract coming in 2009.

Ms. Alesia Wilkins-Braxton, LRA General Counsel, stated that the contract called for 500 units to be completed by September, 2009.

Representative Karen Carter-Peterson asked that this information be provided in writing at each LRA Board meeting.

Mr. Walter Leger offered a motion to approve the resolution directing staff to develop an action plan to create disaster recovery programs designed to assist the state in recovering from damages and losses caused by Hurricanes Gustav and Ike and to allocate funds provided by Congress. The motion was seconded by Mr. John Smith

Approval of the Resolution Directing Staff to Develop an Action Plan to Create Disaster Recovery Programs Designed to Assist the State in Recovering from Damages and Losses Caused by Hurricanes Gustav and Ike and to Allocate Funds Provided by Congress.

RESOLVED, that the Board approves the resolution directing staff to develop an Action Plan to create disaster recovery programs designed to assist the State in recovering from damages and losses caused by Hurricanes Gustav and Ike and to allocate funds provided by Congress.

Voting: Dupre, Foil, Gill, Guinn, Henning, Lasseigne, LeBlanc, Leger, Martin, Murray, Reilly, Smith, and Voelker.

Representative Karen Carter-Peterson asked if the final Gustav/Ike Action Plan would be on the agenda for final LRA Board approval in November.

Ms. Keegan replied affirmatively, and assured Representative Carter-Peterson that we would get the Action Plan to the members in advance of the Board meeting for their review.

Mr. David Voelker said we would move to the Public Comment portion of the agenda. Mr. Ramsey Green was held up in traffic, and his presentation on the Recovery School District will be received later in the meeting.

VIII. PUBLIC COMMENTS

Mr. Gerard Victor, Special Counsel for the New Orleans Sewerage and Water Board (NOSWB), asked that they not be forgotten when funding is received from Congress. They have been lobbying Congress for the past two years, and educating them on the specific needs of the NOSWB. He said he has documentation that shows congressional intent for CDBG funds to go to the NOSWB. Their initial lobbying effort was for \$800 million; however, only \$400 million was allocated for infrastructure. FEMA still has not addressed their needs. The NOSWB has an antiquated backup generator system that provided potable water after Hurricanes Katrina, Gustav and Ike, but it's held together with glue and toothpicks. One area of New Orleans (Venetian Isles) did not have potable water for three weeks after Hurricane Katrina. He stated the sewage and water plants and distribution system is just as important as levees.

Representative Karen Carter-Peterson asked how much funding the NOSWB was expecting.

Mr. Victor replied that each state was supposed to get \$650 million.

Representative Carter-Peterson asked if the NOSWB funding would be included in the Action Plan for Gustav/Ike.

Ms. Robin Keegan explained that each parish will identify their priorities for housing and infrastructure.

Representative Carter-Peterson noted that the NOSWB comes before the Legislature often because they were created legislatively. The city cannot operate without water. All the Central Business District and tourist areas would be shut down, which would affect the state economy, if the city does not have water. She said the \$800 million funding request was three years old, and we are risking the state's economy by not addressing the NOSWB request. The problem is underground so we ignore it. She asked that we give the NOSWB priority.

Mr. Walter Leger provided some philosophy and background to the new Board members. The state of Louisiana was upset in December, 2005, and in January, 2006, when \$2 billion was allocated to the entire Gulf Coast, but no more than 54% of the funding could go to one state. Several people went to Washington, D.C. to argue that the funding should be proportional to the damages. Senator Mary Landrieu was able to get the state some additional funding, with Orleans Parish getting most of the funds. The Road Home program funding was allocated based on housing damages, as was the rental property funding.

Mr. Leger said he feared the \$6.5 billion for Hurricanes Gustav and Ike will be allocated among the states similarly. Texas will get most of the funding and we will have to fight again. HUD will decide the formula for distribution amongst the states, and we will then decide on the distribution to the parishes. Nothing was mentioned about \$400 million for the NOSWB. We need to help Orleans Parish, but we have to allocate the Gustav/Ike funding proportionate to damages.

Mr. Victor commented that the LRA has a difficult task, and asked that we not forget the NOSWB. Their needs are serious and ongoing and need to be addressed.

Mr. Leger offered an example of wind damage coverage. He asked to see where wind damage was excluded from coverage, but it was never written anywhere. We were advised to follow the letter of the law, but he is still waiting to see the legal interpretation.

Senator Edwin Murray stated that the \$1.5 billion damage estimate was a low number.

Ms. Keegan explained that this was not our damage estimate but rather an estimate of what we may receive in funding.

Senator Murray asked that the NOSWB be considered if there is any redirection of funds that are presently sitting in pots. He asked Mr. Victor if the NOSWB would be making a capital outlay request for funding and noted that the deadline for application is November 1, 2008.

Ms. Keegan commented that no funds are uncommitted. The LRA has a deep commitment to New Orleans, and infrastructure is key and critical. The \$400 million that was allocated to New Orleans does not meet all the needs. We need to look at the funds to see what has been spent. The LRA continues to work with General O'Dell on the distribution of FEMA funds to ensure the city gets the resources needed.

Representative Carter-Peterson stated that she expects to see how much money we were allocated, what is committed, and what has been spent at each Board meeting. She asked how much of the Road Home funds are not going to be used. She wants to see the funding situation at every meeting, and she asked that staff draft a resolution for her to direct unspent funds be redirected to infrastructure needs for economic development and job creation. She would like to present the resolution at the next Board meeting in November.

Ms. Keegan said the funding information will be included in the future.

Mr. Andy Guinn noted that the funding is being spent on things that were damaged by the storms; however, there are many more damages than there are funds. We need to continue to address the damages, but there will not be any remaining money.

Mr. David Voelker stated that FEMA low-balled the damage estimates to the infrastructure, but we will have fairness at the end of the day.

Mr. Guinn pointed out that all destroyed units need to be replaced and all locations need to be addressed, not just New Orleans. Cameron and Terrebonne Parishes have infrastructure problems that need to be addressed, and our mission should be to fix the damages.

Mr. Leger said FEMA looks at the pre-storm condition, and the NOSWB was working before the storms. They want to depreciate the infrastructure, but they are not an insurance company. The staff has been good at following the funding mandates of HUD and FEMA and Congress. All three have different restrictions, but LRA is making sure that the funds are spent correctly.

Representative Carter-Peterson suggested that the new Board members be educated on the funding restrictions.

Mr. Jas Gill stated that he was in support of funding for the NOSWB, but expressed concern that we are looking at the problems piece-meal. We need to look at the big picture, and we need a plan that looks globally and broadly at our situation so we can present our needs more effectively.

Representative Simone Champagne, District 49 of the State of Louisiana, testified before the Board about the needs of South-Central Louisiana. We need to approach our needs on a regional basis. New Orleans has a financial impact on the nation, and Terrebonne provides oil and gas to the nation. She said she doesn't think the nation understands our importance to the nation's economy. She suggested we "flip the switch" for 48 hours and see how the nation would respond. We need to provide protection for our workers and our culture. We need to dredge the channels and drainage areas, and we need to build coastal barriers to keep the water from coming inland during devastating storms. There are no barriers in Cameron or Terrebonne Parishes. We also need to continue to support elevations.

Mr. Denny Williams, representing CLECO, said he wanted to go on record as requesting funding should any become available. Entergy previously received \$200 million, and a bill was introduced by Congressman Rodney Alexander so electric companies will receive funding when there are big storms.

IX. RECOVERY SCHOOL DISTRICT UPDATE

Mr. Ramsey Green, Budget and Policy Director, Recovery School District (RSD), and Mr. Stan Smith, representing the Orleans Parish School Board (OPSB), presented the School Facilities Master Plan for Orleans Parish. The creation of the School Facilities Master Plan has been a joint effort between the RSD and the OPSB. The public comment period ends on October 17, 2008, and both school boards must approve the Master Plan. The schools in the district were built between 1908 and the 1930s, and there was a building boom in the 1950s and 1960s, but the buildings have not held up. The buildings have been vandalized and copper has been stolen from the buildings; then mold and flooding occurred. The Master Plan is a 10-20 year plan for implementation, and will encompass 80-85 schools once rebuilding is completed. The rebuilding will cost approximately \$1.2 billion, but people want 21st century schools. New Orleans East and the West Bank show the greatest growth in student population; however, everyone wants a school within ½ mile of their home so students can walk to school. The Plan recommends the appointment of a five member Blue Ribbon Committee to oversee the implementation of the Master Plan and to recruit national and local financial experts who will recommend bonding, cost savings and other financial strategies to be able to fully execute the Master Plan's six phases over the next 20 years.

Phase I of the Master Plan will cost \$700 million, and is fully funded. Six schools are presently under construction and they are working to get all students out of modular schools. The projection is to have 50% of the students in 21st century schools by 2012. This will include leveraging community assets: classes will be housed at Audubon Zoo and at NASA for students interested in science.

Phase II is projected to cost \$400 million and they are currently working with Congress to obtain additional funding. They are looking at land-banking 52% of the schools, but this will

not happen for at least four years. There are still decisions that need to be made as to what to do with the schools, such as eliminating blight. They do not want the schools to fall into deferred maintenance again and repeat the problems of the past.

Mr. David Voelker asked if the students were being taught anything.

Mr. Ramsey Green responded that there was a double digit increase in test scores.

Senator Edwin Murray stated it was difficult for him to get any data on the RSD so he could determine how well the RSD was doing.

Mr. Green explained that the RSD is part of the OPSB; he said he would provide information to Senator Murray.

Senator Murray asked about the Blue Ribbon Committee that will oversee the implementation of the Master Plan.

Mr. Green stated that 20-30 states have committees that work on obtaining tax credits and bonding capacity. The Blue Ribbon Committee would also provide design standards.

Mr. Stan Smith pointed out that there were design standards for the OPSB schools when they were originally built, but there is nothing recent.

Senator Murray asked if the Blue Ribbon Committee would replace the school board.

Mr. Green replied no.

Senator Murray asked about the schools that are on the land bank list, such as Kennedy High School, and who made the decision as to which schools are included.

Mr. Green said there was a land bank team that looked at the quick-start process to determine where students are living and the footprints for some of the schools had to be reduced. This team looked at the conditions of the current schools and the demographics and made recommendations.

Mr. Stan Smith added that it was determined that not as many high schools were needed. Some of the properties will be utilized for athletic sites and other activities.

Senator Murray asked about Cohen High School being land banked.

Mr. Green responded that Cohen High School was recommended to be land banked in 2016; however, the plan will be reviewed every two years. He added that Cohen High School is not slated to be renovated.

Senator Murray asked about Morris Jefferson which is scheduled to be moved to a playground site. He asked if there would be a new playground.

Mr. Green explained that Phase II calls for a new playground. The Master Plan comment period will end on October 17, 2008, and some adjustments will be made to the Plan before it is finalized. Two public hearings were also held to get public input on the Master Plan.

Mr. Voelker asked how Senator Murray could go on record so his comments will be known.

Mr. Green said he could go to the website for either the RSD or the OPSB.

Senator Murray commented that it is difficult to go on record when you don't know what school is going where.

Mr. Stan Smith said eight libraries have copies of the Master Plan, and several meetings have been held so they could accommodate the communities.

Mr. Voelker asked where you could get the information as to what schools will go where.

Mr. Green noted that the school facilities are coming on line now, and that question cannot be answered just yet. He said the School Boards can make changes and adjustments after the Plan has been approved.

Senator Murray asked about funding for McDonogh 35.

Mr. Stan Smith said he thought McDonogh 35 was in Phase II, but thought it would stay at its current location.

Senator Murray asked why the highest performing school in the state was not going to get any funding.

Mr. Stan Smith replied that students need a home. They need to accomplish a design for 7,000 students who are currently housed in modular facilities, but programs will need to be relocated in the future so follow-on buildings can be renovated.

Mr. Roy Martin commented that it's basically boxes on a computer program; you look at the demographics and locate a building where there is population.

Mr. Stan Smith added that they looked at the demographics to provide the appropriate number of seats and the appropriate capacity; however, there will be a shifting of the populations over time.

Representative Karen Carter-Peterson asked how many new schools versus renovated schools are included in the Master Plan. She said some of the top performing schools have the worst facilities. She suggested we move the top performing schools into a new facility and then renovate those buildings so those who are doing the best can do even better and expand. She asked about Porche being taken in by Lusher.

Mr. Stan Smith explained that Porche is in the Master Plan for stabilization and not for renovation. The work there is mostly heating, ventilating, and air conditioning (HVAC) repairs. The stabilization funds are a band-aid for several of the schools until the new

facilities are built or the old buildings are renovated. McDonogh is slated for renovation in either Phase II or Phase III.

Representative Carter-Peterson stated that the OPSB should be commended for making their facilities phenomenal. She would like to see all parishes improve in education. She said 41 states are doing what is being recommended by Mr. Green. She then asked who was on the Master Planning Committee and the next steps.

Mr. Green replied that the Committee included staff from the RSD, OPSB, and consultants, as well as a community advisory team. After public comment, the Committee will provide comments and recommendations to the Superintendents, and after that the Plan will be submitted to the Louisiana State Board of Elementary and Secondary Education (BESE).

Representative Carter-Peterson asked if they would be coming before the Joint Legislative Committee on the Budget for additional funding.

Mr. Stan Smith said they would be thrilled to have more funding.

Representative Carter-Peterson recommended they get additional input from the representatives and senators before the Master Plan is submitted to the School Boards and before additional funding is requested.

X. UNFINISHED BUSINESS

There was no unfinished business.

XI. NEW BUSINESS

Mr. Voelker asked the Board members to complete their Oaths of Office before departing.

XII. ANNOUNCEMENTS

There were no announcements.

XIII. ADJOURNMENT

The meeting was adjourned at 12:25 p.m.

Respectfully submitted,

Paul Rainwater
Executive Director

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Date approved: _____