COOPERATION AGREEMENT
BETWEEN
THE UNITED STATES OF AMERICA
AND THE BOARD OF COMMISSIONERS OF THE
EAST JEFFERSON LEVEE DISTRICT
FOR REHABILITATION OF A FEDERAL HURRICANE/SHORE
PROTECTION PROJECT

THIS COOPERATION AGREEMENT (hereinafter referred to as the
“Agreement”) is entered into by and between THE DEPARTMENT OF THE ARMY
(hereinafter referred to as the “Government”) represented by the District Engineer, New
Orleans District, U. S. Army Corps of Engineers (or his designee), and the BOARD OF
COMMISSIONERS OF THE EAST JEFFERSON LEVEE DISTRICT (hereinafter
referred to as the “Public Sponsor”), represented by the Interim President of the East
Jefferson Levee District.

WITNESSETH THAT:

WHEREAS, the Government constructed a Hurricane/Shore Protection Project
for the Lake Pontchartrain, Louisiana and Vicinity, Louisiana, Project, (hereinafter
referred to as “HSPP”), including features along New Orleans East and Orleans East
Bank, authorized by the Flood Control Act of 1965, Public Law 298 of the 89th Congress,
approved October 27, 1965, as amended, and governed by the following Agreements of
Local Assurance, all of which remain in full effect: “Agreement between the United
States of America and the Board of Commissioners of the Pontchartrain Levee District
for the Lake Pontchartrain and Vicinity, Louisiana, Project,” signed by Pontchartrain
Levee District on September 20, 1976, and approved on December 7, 1977; “Agreement
between the United States of America and the State of Louisiana, Department of Public
Works and the Board of Commissioners of the Pontchartrain Levee District for the Lake
Pontchartrain and Vicinity, Louisiana Project, signed on November 3, 1976 and approved
on December 7, 1977, as amended by “Agreement for Division Between Pontchartrain
Levee District and Jefferson Levee District,” dated January 9, 1979; “Supplemental
Agreement between the United States of America and the Jefferson Levee District for
Local Cooperation at Lake Pontchartrain and Vicinity High Level Plan,” signed on
January 16, 1987 and approved on December 21, 1987; “Supplemental Agreement
between the United States of America, the Orleans Levee District, the East Jefferson
Levee District and the Sewerage and Water Board of New Orleans,” signed by all four
parties on February 18, 1997, in which the Sewerage and Water Board of New Orleans
agreed to provide all lands, easements, and rights-of-way and to operate and maintain
“fronting protection” to Pumping Station No. 6 located in the 17th Street Canal, and
Orleans Levee District and East Jefferson Levee District agreed to continue their
respective obligations for the project; and “Supplemental Agreement No. 2, Cooperation
Agreement between the United States of America and the Board of Commissioners of the
East Jefferson Levee District, the Sewerage and Water Board of New Orleans, the Fourth Jefferson Drainage District, the Sub-District A of the Fourth Jefferson Drainage District, the Parish of Jefferson, and the City of New Orleans for Rehabilitation of a Federal Hurricane/Shore Protection Project,” signed by the parties on January 27, 2006, for repair and rehabilitation of the 17th Street Canal, including certain bank stabilization measures and the construction of interim gated closure structures and integrated pumping capacity.

WHEREAS, pursuant to 33 U. S. C. 701n, the Government is authorized to assist in the repair and restoration of any federally authorized hurricane or shore protective structure damaged or destroyed by wind, wave, or water action of other than an ordinary nature;

WHEREAS, the Rehabilitation Effort includes repairs to damaged portions of the 17th Street Outfall, the lakefront levee, and the Kenner Return Levee, all as generally described in the Project Information Report for Jefferson Parish East Bank prepared by the District Engineer, U. S. Army Engineer District, New Orleans, dated April 2006 and approved by the Deputy Division Engineer on April 11, 2006;

WHEREAS, as between the Government and the Public Sponsor, the above referenced project assurances and agreements set forth the respective obligations of the parties therein named, including, but not limited to, the obligation of the Public Sponsor, without costs to the Government, to provide all interior drainage and pumping plants required for reclamation and development of the protected areas, to maintain and operate levees, floodgates and approach channels, drainage structures, drainage ditches or canals, floodwalls, and stoplog structures in relation to this HSPP and to the Rehabilitation Efforts herein described, except as expressly provided within this Agreement;

WHEREAS, the Public Sponsor hereby represents that it has the authority and legal capability to furnish the non-Federal cooperation hereinafter set forth and is willing to participate in the HSPP Rehabilitation Effort in accordance with the terms of this Agreement.

NOW THEREFORE, the Government and the Public Sponsor agree as follows:

ARTICLE I – DEFINITIONS AND GENERAL PROVISIONS

For purposes of this Agreement:

A. The term “Rehabilitation Effort” shall mean the repair and rehabilitation of the damaged riprap and foreshore protection along levees and floodwalls, repair of the scour at the base of the floodwalls, repair of the scour to levee side slopes and crowns, repair of damaged slope paving for the 17th Street Outfall Canal and the lakefront levees, and the interim protection of the damaged I-wall of the Kenner Return Levee, all in accordance with project authority therefor, as generally described in the following report: “Project Information Report (PIR), PL 84-99, Rehabilitation of Damaged Hurricane/Shore Protection Project, Lake Pontchartrain, La And Vicinity Hurricane Protection Project,
Jefferson Parish, Louisiana, Jefferson Parish East Bank,” prepared by the District Engineer, U. S. Army Engineer District, New Orleans, dated April 2006 and approved by the Division Engineer on April 11, 2006. It is understood and agreed that the PIR is are subject to change by the Government in consultation with the Public Sponsor.

B. The term “Rehabilitation Effort costs” shall mean all costs incurred by the Government directly related to construction of the Rehabilitation Effort. Such term shall include, but is not necessarily limited to: actual construction costs, including supervision and inspection costs; costs of contract dispute settlements or awards; the costs of lands, easements, rights of way, borrow, and relocations that are not owned, claimed or controlled by the Public Sponsor and/or Jefferson; and the cost of investigations to identify the existence of the hazardous substances as identified in Article XII.A. The term shall not include any costs for operation and maintenance; any costs that correct deferred or deficient maintenance; any increased costs for betterments or Public Sponsor-preferred alternatives; periodic nourishment under the project authorization; or the costs of lands, easements, rights-of-way, borrow, or relocations that are owned, claimed, or controlled by the Public Sponsor.

C. The term “betterment” shall mean the design and construction of a Rehabilitation Effort feature accomplished on behalf of, or at the request of, the Public Sponsor, in accordance with standards that exceed the standards that the Government would otherwise apply for accomplishing the Rehabilitation Effort.

ARTICLE II – OBLIGATIONS OF THE GOVERNMENT, JEFFERSON, AND PUBLIC SPONSOR

A. The Government, subject to receiving funds appropriated by the Congress of the United States, shall expeditiously construct the Rehabilitation Effort, applying those procedures usually followed or applied in Federal projects, pursuant to Federal laws, regulations, and policies. To the extent possible, the Public Sponsor shall be afforded the opportunity to review and comment on all such solicitations for all contracts, including relevant plans and specifications, prior to the issuance of such solicitations. The District Engineer will, in good faith, consider the comments of the Public Sponsor, but award of contracts, modifications or change orders, and performance of all work on the Rehabilitation Effort (whether the work is performed under contract or by Government personnel), shall be exclusively within the control of the District Engineer.

B. As further specified in Article III, the Public Sponsor shall provide right of entry to all lands, easements, and rights-of-way, including suitable borrow and dredged or excavated material disposal areas, determined by the Government to be necessary for construction, operation, and maintenance of the Rehabilitation Effort and the HSPP.

1. As further specified in Article III, after receiving the rights of entry to the lands, easements, and rights-of-way, including suitable borrow and dredged or excavated material disposal areas (hereinafter “LERD”) from the Public Sponsor, the Government,
subject to the availability of appropriations, shall identify and pay just compensation to
the owners of compensable interests in the LERD described in Article III.A.3.
Additionally, the Government, subject to the availability of appropriations, shall acquire
interests in those LERD described in Article III.A.2 to which the Public Sponsor was
unable to obtain right of entry despite its best efforts.

2. As further specified in Article III, the Government shall perform such
relocations as it determines to be necessary for the Rehabilitation Effort.

C. The Public Sponsor shall not use Federal funds to meet their share of
Rehabilitation Effort costs under this Agreement unless the expenditure of such funds is
expressly authorized by statute as verified in writing by the Federal granting agency.

D. The Public Sponsor shall hold and save the Government free from all damages
arising from the construction, operation, and maintenance of the Rehabilitation Effort, the
HSPP, and any related betterments, except for damages due to the fault or negligence of
the Government or the Government’s contractors. The rights set forth in this Article II.D.
and the benefits that derive therefrom, shall inure only to the United States of America,
and may not be asserted by, or provide a benefit to, any other person or entity, whether or
not a party to this Agreement.

E. The Public Sponsor may request the Government to accomplish betterments.
The Public Sponsor requesting said betterment shall be solely responsible for any
increase in costs resulting from the betterments and all such increased costs will be paid
in advance by the requesting Public Sponsor in accordance with Article IV.

F. The Public Sponsor shall prevent future encroachments on lands, easements,
and rights-of-way provided by and/or acquired on behalf of the Public Sponsor for the
Rehabilitation Effort which may interfere with the proper functioning of the
Rehabilitation Effort and the HSPP, as determined by the Government. Said real estate
interests shall be retained in public ownership for uses compatible with the authorized
purposes of the Rehabilitation Effort and the HSPP.

ARTICLE III - LANDS, RELOCATIONS, AND PUBLIC LAW 91-646

A. The Government shall provide the Public Sponsor with a description of the
anticipated real estate requirements and relocations for the Rehabilitation Effort.
Thereafter, the Public Sponsor shall, at no cost to the Government, provide right of entry
to all lands, easements, and rights-of-way, including suitable borrow and dredged or
excavated material disposal areas, (hereinafter “LERD”) as may be determined by the
Government in that description, or in any subsequent description, to be necessary for the
construction, operation, and maintenance of the HSPP and the Rehabilitation Effort, in
the manner hereinafter discussed.
I. The Public Sponsor shall provide right of entry to all LERD that it owns, claims, or controls (hereinafter "Public Sponsor LERD") in a manner that is free and clear of any liens, defects of titles, or encumbrances, including the release or subordination to the Rehabilitation Effort of any third party interests, as determined by the Government to be necessary for the construction, operation and maintenance of the Rehabilitation Effort;

2. The Public Sponsor shall use its best efforts to provide right of entry to LERD that any other non-Federal governmental entity owns, claims, or controls (hereinafter “Other Non-Federal Governmental LERD”) in a manner that is free and clear of any liens, defects of titles, or encumbrances, including the release or subordination to the Rehabilitation Effort of any third party interests within such Other Non-Federal Governmental LERD, as determined by the Government to be necessary for the construction, operation and maintenance of the Rehabilitation Effort; and

3. The Public Sponsor shall provide right of entry to all other LERD not owned, claimed, or controlled by the Public Sponsor or other non-Federal governmental entities (hereinafter “Private LERD”) as follows:

a. The Public Sponsor shall secure, or cause to be secured an executive commandeering order or orders from the Parish President, as Chief Executive Officer for the Parish of Jefferson, and/or from the Governor of the State of Louisiana, which said order or orders shall commandeer Private LERD, in accordance with powers set forth in La. R.S. 29:721, et seq, including all privately owned third party interests, as may be determined by the Government to be necessary for the construction, operation, and maintenance of the HSPP and the Rehabilitation Effort.

b. The Public Sponsor shall tender to the Government a right of entry to the Private LERD.

4. The necessary lands, easements, and rights-of-way may be provided incrementally for each construction contract. All lands, easements, and rights-of-way determined by the Government to be necessary for work to be performed under a construction contract must be furnished prior to the advertisement of that construction contract.

B. The Government shall perform such relocations as it determines to be necessary for the construction, operation and maintenance of the Rehabilitation Effort. In addition, the Government shall identify and provide just compensation to the owners of compensable interests in the Private LERD and shall acquire the requisite interests in the Other Non-Federal Governmental LERD to which the Public Sponsor, despite its best efforts, was unable to obtain free and unencumbered right of entry, all in accordance with the applicable provisions of the Uniform Relocation Assistance and Real Property Acquisitions Policy Act of 1970, Public Law 91-646, as amended by Title IV of the Surface Transportation and Uniform Relocation Assistance Act of 1987 (Public Law 100-17), and the Uniform Regulations contained in 49 CFR Part 24, in acquiring lands,
required contribution by delivering a check payable to “FAO, USAED, B2, New Orleans” to the District Engineer of the U. S. Army Engineer District, New Orleans. The Government shall draw on the funds provided by the Public Sponsor such sums as the Government deems necessary to cover contractual and in-house fiscal obligations attributable to the Public Sponsor’s obligations under Article II.E. as they are incurred by the Government. In the event that total costs of the Public Sponsor’s obligations under Article II.E. are expected to exceed the estimate given at the outset of construction, the Government shall immediately notify the Public Sponsor of the additional contribution the Public Sponsor will be required to make to meet the additional required contribution. Within ten calendar days thereafter, the Public Sponsor shall provide the Government the full amount of the additional required contribution.

C. During the period of construction, the Government will provide periodic financial reports on the status of the total Rehabilitation Effort costs and status of contributions made by the Public Sponsor. Upon completion of the Rehabilitation Effort and resolution of all relevant contract claims and appeals, the Government shall compute the total Rehabilitation Effort costs and tender to the Public Sponsor a final accounting of the Public Sponsor’s obligations under Article II.E.

1. In the event the total contribution by the Public Sponsor is less than the Public Sponsor’s obligations under Article II.E., the Public Sponsor shall, no later than 90 calendar days after receipt of written notice, make a cash payment to the Government of whatever sum is required to meet the Public Sponsor’s obligations under Article II.E.

2. In the event total contribution by the Public Sponsor is more than the Public Sponsor’s required obligation under Article II.E., the Government shall, no later than 90 calendar days after the final accounting is complete, subject to the availability of funds, return the excess to the Public Sponsor. In the event the existing funds are not available to repay the Public Sponsor for excess contributions provided, the Government shall seek such appropriations as are necessary to repay the Public Sponsor for excess contributions provided.

ARTICLE V – CREDITING OF IN-KIND SERVICES

The Public Sponsor shall not be entitled to receive a credit or reimbursement for any costs incurred by the Public Sponsor.

ARTICLE VI – OPERATION AND MAINTENANCE

A. The Public Sponsor maintains responsibility for operating and maintaining that portion of the subject HSPP at all times. After the District Engineer has determined that construction of the Rehabilitation Effort is complete and provided the Public Sponsor with written notice of such determination, the Public Sponsor shall operate and maintain
the HSPP, to include those areas restored by the Rehabilitation Effort, at no cost to the Government, in accordance with specific directions prescribed by the Government in Engineer Regulation 500-1-1 and any subsequent amendments thereto and other applicable authorities.

B. The Public Sponsor hereby gives the Government a right to enter, at reasonable times and in a reasonable manner, upon land that the Public Sponsor owns or controls for access to the HSPP for the purposes of inspection, and, if necessary, for the purpose of completing, operating, and maintaining the HSPP. If an inspection shows the Public Sponsor for any reason is failing to fulfill the Public Sponsor’s obligations under this Agreement without receiving prior written approval from the Government, the Government will send a written notice to the Public Sponsor. If, after 30 calendar days from receipt of such notice, the Public Sponsor continues to fail to perform, then the Government shall have the right to enter, at reasonable times and in a reasonable manner, upon lands the Public Sponsor owns or controls for access to the Project for the purposes of completing, operating, and maintaining the project, or to deny further assistance under Public Law 84-99. No action by the Government shall operate to relieve the Public Sponsor of responsibility to meet the Public Sponsor's obligations as set forth in this Agreement, or to preclude the Government from pursuing any other remedy at law or equity to assure faithful performance pursuant to this Agreement.

ARTICLE VII - FEDERAL AND STATE LAWS

In the exercise of the rights and obligations of the Public Sponsor hereunder, the Public Sponsor agrees to comply with all applicable Federal and state laws and regulations.

ARTICLE VIII - RELATIONSHIP OF PARTIES

The Government and the Public Sponsor act in an independent capacity in the performance of their respective functions under this Agreement, and none of the parties are to be considered the officer, agent, nor employee of the other parties.

ARTICLE IX – OFFICIALS NOT TO BENEFIT

No member of or delegate to the Congress, or resident commissioner, shall be admitted to any share or part of this Agreement, or to any benefit that may arise therefrom.

ARTICLE X – COVENANT AGAINST CONTINGENT FEES

The Public Sponsor warrants that no person or selling agency has been employed or retained to solicit or secure this Agreement upon agreement or understanding for a
commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by the Public Sponsor for the purpose of securing business. For breach or violation of this warranty, the Government shall have the right to annul this Agreement without liability, or, in the Government’s discretion, to add to the Agreement or consideration, or otherwise recover, the full amount of such commission, percentage, brokerage, or contingent fee.

ARTICLE XI – TERMINATION OR SUSPENSION

If at any time the Public Sponsor fails to carry out its obligations under this Agreement, the District Commander shall terminate or suspend work on the Rehabilitation Effort, unless the District Commander determines that continuation of work on the Rehabilitation Effort is in the interest of the United States or is necessary in order to satisfy agreements with any other non-Federal interests in connection with this Rehabilitation Effort and the HSPP. However, deferral of future performance under this Agreement shall not affect existing obligations or relieve the parties of liability for any obligation previously incurred. In the event that any party elects to terminate this Agreement pursuant to this Article, the parties shall conclude their activities relating to the Rehabilitation Effort and proceed to a final accounting in accordance with Article IV. In the event that any party elects to defer future performance under this Agreement pursuant to this Article, such deferral shall remain in effect until such time as either the Government or the Public Sponsor elects to proceed with further construction or terminate this Agreement.

ARTICLE XII – HAZARDOUS SUBSTANCES

A. After execution of this Agreement, the Government shall perform, or cause to be performed, such investigations for hazardous substances as are determined necessary by the Government to identify the existence and extent of hazardous substances regulated under the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) 42 U.S.C. 9601-9675, on lands necessary to Rehabilitation Effort construction, operation, and maintenance.

B. In the event it is discovered through an investigation for hazardous substances or other means that any lands, easements, rights-of-way, or disposal areas to be acquired or provided for the HSPP or the Rehabilitation Effort contain any hazardous substances regulated under CERCLA, the Public Sponsor and the Government shall provide prompt notice to each other and shall not proceed with the commandeering and/or acquisition of lands, easements, rights-of-way, or disposal areas until mutually agreed.

C. The Government and the Public Sponsor shall determine whether to initiate construction of the Rehabilitation Effort, or, if already in construction, to continue with construction of the Rehabilitation Effort, or to terminate construction of the Rehabilitation Effort for the convenience of the Government in any case where hazardous substances regulated under CERCLA are found to exist on any lands necessary for the
Rehabilitation Effort. Should the Government and the Public Sponsor determine to proceed or continue with the construction after considering liability that may arise under CERCLA, the Public Sponsor shall be responsible, as between the Government and the Public Sponsor, for any and all necessary clean up and response costs, to include the costs of any studies and investigations necessary to determine an appropriate response to the contamination located in, on, or under the Public Sponsor's LERD, the Other Non-Federal Governmental LERD, and the Private LERD. Such costs shall not be considered a part of the total Rehabilitation Effort costs as defined in this Agreement. In the event the Public Sponsor fails to provide any funds necessary to pay for clean up and response costs or to otherwise discharge the responsibilities of the Public Sponsor under this paragraph upon direction by the Government, the Government may either terminate or suspend work on the Rehabilitation Effort or proceed with further work as provided in Article XI of this Agreement.

D. The Public Sponsor and the Government shall consult with each other to assure that responsible parties bear any necessary clean up and response costs as defined in CERCLA. Any decision made pursuant to paragraph C. of this Article shall not relieve any party from any liability that may arise under CERCLA.

E. As between the Government and the Public Sponsor, the Public Sponsor shall be considered the operator of the HSPP (which the Rehabilitation Effort is repairing and restoring) for purposes of CERCLA liability. To the maximum extent practicable, the Public Sponsor shall operate and maintain the HSPP in a manner that will not cause liability under CERCLA.

ARTICLE XIII – NOTICES

A. All notices, requests, demands, and other communications required or permitted to be given under this Supplemental No. 2 shall be deemed to have been duly given if in writing and delivered personally, given by prepaid telegram, or mailed by first-class (postage prepaid), registered, or certified mail, as follows:

If to the East Jefferson Levee District: If to the Government:

President
District Engineer
District Engineer
East Jefferson Levee District
U. S. Army Corps of Engineers
203 Plauche Court
P. O. Box 60267
Harahan, Louisiana 70123
New Orleans, Louisiana 70160-0267

B. A party may change the address to which such communications are to be directed by giving written notice to the other party in the manner provided in this Article.

C. Any notice, request, demand, or other communication made pursuant to this Article shall be deemed to have been received by the addressee at such time as it is either personally delivered, or, seven calendar days after it is mailed, as the case may be.
IN WITNESS WHEREOF, the parties hereto have executed this Agreement, which may be executed in counterparts and having full force and effect as a whole, and which shall become effective upon the date it is signed by the District Engineer.

THE DEPARTMENT OF THE ARMY

BY: Richard P. Wagenaar
Colonel, Corps of Engineers
District Engineer
Lieutenant Colonel, U.S. Army
Deputy Commander
Date: 4/18/06

BOARD OF COMMISSIONERS OF THE EAST JEFFERSON LEVEE DISTRICT

BY: Charles Miller
Interim President, Board of Commissioners of the East Jefferson Levee District

Date: 4/13/06
CERTIFICATION REGARDING LOBBYING

The undersigned certifies, to the best of his or her knowledge and belief that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

Charles Miller
Interim President, Board of Commissioners of the East Jefferson Levee District

DATE: 4/13/06
CERTIFICATE OF AUTHORITY

I, T. ROBERT LACOUR, do hereby certify that I am an attorney for the East Jefferson Levee District, that the Board of Commissioners of the East Jefferson Levee District is a legally constituted public body with full authority and legal capability to perform the terms of the Cooperation Agreement between the United States of America and the Board of Commissioners of the East Jefferson Levee District, in connection with the Lake Pontchartrain, Louisiana and Vicinity, Hurricane Protection Project Rehabilitation Effort, and to my best information and belief able to pay damages in accordance with the terms of this Agreement, if necessary, in the event of the failure to perform, as required by Section 221 of Public Law 91-611 (42 U.S.C. Section 1962d-5b), and that the person who has executed this Agreement, on behalf of the Board Of Commissioners of the East Jefferson Levee District has acted within his or her authority.

IN WITNESS WHEREOF, I have made and executed this certification this day of April 2006.

T. ROBERT LACOUR
Attorney for the Board of Commissioners of the East Jefferson Levee District