

BREAUX ACT
Coastal Wetlands Planning, Protection and Restoration Act

TASK FORCE MEETING
15 February 2007

Minutes

I. INTRODUCTION

Colonel Richard Wagenaar convened the 65th meeting of the Louisiana Coastal Wetlands Conservation and Restoration Task Force. The meeting began at 9:50 a.m. on February 15, 2007 at the U.S. Army Corps of Engineers, New Orleans District, Division Assembly Room, 7400 Leake Avenue, New Orleans, LA. The agenda is shown as enclosure 1. The Task Force was created by the Coastal Wetlands Planning, Protection, and Restoration Act (CWPPRA, commonly known as the Breaux Act), which was signed into law (PL 101-646, Title III) by President George Bush on November 29, 1990.

II. ATTENDEES

The attendance record for the Task Force meeting is presented as enclosure 2. Listed below are the six Task Force members:

Ms. Sidney Coffee, State of Louisiana, Governor's Office of Coastal Activities (GOCA)
[Mr. Gerry Duszynski served as the State's representative during agenda items #11-18, excluding #13]
Mr. Donald Gohmert, Natural Resources Conservation Service (NRCS)
Mr. Sam Hamilton, U.S. Fish and Wildlife Service (USFWS)
Mr. Bill Honker, U.S. Environmental Protection Agency (USEPA)
Colonel Richard Wagenaar, Chairman, U.S. Army Corps of Engineers (Corps)
Dr. Erik Zobrist, National Marine Fisheries Service (NMFS)

III. OPENING REMARKS

Colonel Wagenaar announced that Agenda Item 13 (Report: Coastal Impact Assistance Program Update) would be moved after Agenda Item 3 (Status of Breaux Act Funds and Projects), since the topic could potentially impact Task Force decision items.

IV. ADOPTION OF MINUTES FROM OCTOBER 2006 TASK FORCE MEETING

Colonel Wagenaar called for a motion to adopt the minutes from the October 18, 2006 Task Force Meeting.

Mr. Gohmert moved to adopt the minutes and Mr. Honker seconded. The motion was passed by the Task Force.

V. TASK FORCE DECISIONS

A. Report/Discussion: Coastal Impact Assistance Program Update (Agenda Item #13)

Mr. Dave Frugé, LDNR, said that the Coastal Impact Assistance Program (CIAP) was authorized in 2005 as part of the Energy Policy Act. Beginning this fiscal year, Louisiana and the coastal parishes will receive \$523 million over 4 years. The State and the parish will receive 65 percent and 35 percent, respectively. The Minerals Management Service (MMS) must approve the plan before the money can be accessed. Goals, objectives, and ranking criteria for projects have been established. Five public meetings were held across the coast. The State has worked closely with the 19 coastal parishes to help them prepare proposals. Over 300 proposals were solicited from the public. The public had an opportunity to provide feedback through open house meetings. A project selection committee picked the projects the State will support with CIAP funds. The State also ensured that the CIAP Plan and draft Coastal Master Plan composed by the Coastal Protection and Restoration Authority's Integrated Planning Team are consistent.

Projects were selected to reduce coastal flooding impacts, work in synergy with other restoration and protection projects, and have the ability to be implemented soon. The following projects are included in the State's draft CIAP plan:

1. Enhanced Management of Mississippi River Water, Nutrients, and Sediment
 - a. Violet Diversion Project to divert Mississippi River water into the Central Wetlands Complex of St. Bernard Parish
 - b. Long distance sediment pipeline to transport sediment into the Barataria Basin
 - c. Blind River siphon to divert Mississippi River water into Maurepas Swamp
 - d. Bayou Lamoque floodgate removal project to divert flow into lower Plaquemines Parish
 - e. Delta management strategic planning effort to put together a focus document to guide subsequent feasibility analysis of planned large-scale river management
2. Barrier Shoreline Restoration and Protection
 - a. East Grand Terre Island Restoration Project
 - b. Rockefeller Refuge Shoreline Demo Project
3. Protection and Restoration of Critical Landbridges
 - a. Orleans Landbridge from Alligator Point to Bayou Bienvenue
 - b. Barataria Landbridge Dedicated Dredging
4. Interior Shoreline Protection
 - a. Freshwater Bayou Shoreline Protection Project to help prevent saltwater intrusion into the Mermentau Basin
 - b. Gulf Intracoastal Waterway (GIWW)/Critical Areas of Terrebonne Parish Project (a CWPPRA designed project)
 - c. Grand Lake Shoreline Protection Project (a CWPPRA designed project)
 - d. Lake Salvador Shoreline Protection Project
5. Marsh Creation with Dredged Material

- a. Beneficial use of dredge material from maintenance of Federal navigation channels
- b. Fringe marsh repair with dedicated dredge material in lower Plaquemines Parish
6. Coastal Forest Conservation Initiative
 - a. The acquisition of land rights to conserve strategically important coastal forest
 - b. Implement smaller restoration projects to reduce ponding in coastal swamps
 - c. Wetland assimilation projects to enhance coastal forest sustainability
 - d. Central wetlands assimilation project to restore a cypress swamp with treated sewage effluent from two sewage treatment plants
7. Infrastructure Projects to Mitigate Outer Continental Oil and Gas Production
 - a. Construction of a lock on the Houma Navigation Canal
 - b. The upgrade of Louisiana Highway 1 in the Fourchon-Leeville area
 - c. Road repair projects

The parishes will fund 95 projects with their CIAP share. Eighty-six percent of the parishes' money is dedicated to restoration and conservation projects, with the remaining 14 percent allocated to infrastructure, public service needs, and planning and administrative purposes.

The draft CIAP plan was released February 5, 2007. Comments are due April 1, 2007. A series of public meetings are scheduled for late February and early March to discuss the State Coastal Master Plan and the draft CIAP plan. The final plan will be submitted to the MMS on May 1, 2007. The State would like to move forward with some projects even before MMS approval is granted.

Colonel Wagenaar opened the floor to comments and questions from the Task Force:

Ms. Coffee thanked Mr. Frugé and emphasized the amount of coordination between the State's Master Planning Team and the CIAP Planning Team. The cooperation between the State and its parishes is at an all time high, and they did an excellent job on this plan. This is indicative of how serious the State is that the priorities and consistency with the Master Plan are followed through. The State sees the Master Plan as the overarching vision under which everything else will fall.

Mr. Hamilton congratulated Mr. Frugé on all of his work. He said it is good to see the amount of restoration work exceeding the percentage requirements. CIAP's overlap with CWPPRA can provide opportunities where both programs can benefit.

Mr. Honker asked Mr. Frugé about the timeframe for going to bid for the early action projects. Mr. Frugé replied that two projects, Grand Lake Shoreline Protection and East Grand Terre Island Restoration, could begin construction in late winter or early spring of 2008. Mr. Honker added that these two projects are on CWPPRA's potential Phase II funding list. He would like to discuss how the projects compare.

Mr. Gohmert asked if these early action projects would begin before MMS approval. Mr. Frugé said that it was likely that Federal dollars would be received by the time construction is ready to begin. Mr. Gohmert also asked if the parishes would be afforded the same opportunity for their projects. Mr. Frugé said that there has not been much discussion about the State funding the parish projects. There has been discussion about finance bonds and starting the projects in anticipation of future funds.

Colonel Wagenaar asked Mr. Frugé to talk about the integration of the parish and State CIAP plans with CWPPRA. Mr. Frugé said that there has been contact with CWPPRA project managers and discussions at Technical Committee meetings of CIAP's likely intentions. The State has tried to keep agencies that would be affected by the proposed CIAP expenditures on CWPPRA projects informed. There has been discussion at a previous Task Force meeting about having CWPPRA take over the operation and maintenance (O&M) for CWPPRA projects constructed with CIAP funds.

Colonel Wagenaar opened the floor to comments from the public:

Dr. John Lopez, Lake Pontchartrain Basin Foundation, congratulated LDNR, Mr. Frugé, and his staff for a great job in pulling together this plan in a short time. The benefit area for the Violet Diversion Project is just the central wetlands. He suggests targeting a much larger area in relation to the area affected by the Mississippi River-Gulf Outlet (MRGO). The Corps' report suggests a 5,000 to 15,000 cfs diversion, while the University of New Orleans models suggest a diversion of 7,500 cfs. This is to target the Biloxi marshes, which is beyond what is in CIAP's scope. Dr. Lopez wants to avoid the design of a diversion that needs to be redesigned for something larger. Mr. Frugé replied that it was decided that a 5,000 cfs diversion could be supported with the amount of CIAP dollars available. There was also a design question as to how much water can be moved without greatly changing the outlet capacity. These issues will be addressed in the design phase. Dr. Lopez understands the State's position because at this time, the MRGO is still an authorized deep water channel and until something changes that limits the benefit area.

Colonel Wagenaar asked Mr. Greg Miller, Corps, to address the current status of the Violet Diversion in the MRGO report. Mr. Miller said that no work has been completed to evaluate how much water could be put into the central wetlands without causing other problems. Other issues include the proper sizing of floodgates at Bayous Bienvenue and Dupre to handle diverted water as an outfall component. The Violet Diversion is a potential part of an overall plan for the MRGO area as a component of either the LCA or LACPR. The Corps should look closely at coordinating the efforts initiated under the State's CIAP program and potential decommissioning or deauthorizing of the channel.

Ms. Charlotte Randolph, Lafourche Parish President and President of Parishes Against Coastal Erosion (PACE), echoed Ms. Coffee's comments. On behalf of PACE, she thanked the various agencies working with the parishes. She said enabling the parishes to put in what they know about their own particular parishes has been crucial to having a plan the public will accept. The Corps has worked well with Lafourche Parish on the alignment of the Morganza to the Gulf.

This is an example of good regional thinking in that we are spending money as best we can. She hopes to continue working this closely to make projects happen quickly.

Ms. Leslie Suazo, Director of Coastal Restoration for Terrebonne Parish, thanked Mr. Frugé, Mr. Greg Grandy, and Mr. Will Norman for their efforts on this plan. Everyone at the local level is pleased to see the State's level of effort and consideration of the parishes' priorities. Terrebonne Parish is grateful for the financing of the lock and allowance of a significant portion of local funds to go to construction. This will also benefit Lafourche Parish, because the Houma Navigation Canal is a documented source of saltwater intrusion that affects their drinking water supply. Ms. Suazo is pleased with the plan's balance and the incorporation of projects that involve multi-agency cooperation and programs like the Barataria-Terrebonne National Estuary Program (BTNEP) with the pipeline slurry. She hopes that someday Terrebonne Parish will be able to use the expertise and infrastructure to get some sediment into the parish. She is also pleased to see the Wetlands Assimilation and Coastal Forestry Program included in the plan.

Mr. Andrew MacInnes, Plaquemines Parish Government, said that he is very excited about the CIAP plan. CIAP and CWPPRA together are going to be a one-two punch for coastal restoration. The East Grand Terre Island Restoration Project, which is on the short list to be constructed, has a cost estimate of \$27 million. In the listing on the CWPPRA program, the Phase II total cost is over \$34 million. He asked if the difference between the two programs was simply the 20-year life span that is incorporated into the CWPPRA program, or is there another feature component that accounts for the discrepancy. Mr. Frugé replied that the monitoring will be funded separately, but that he could not explain the difference in any more detail. Ms. Julie LeBlanc added that the CWPPRA cost for Increment 1 includes the construction cost plus three years of O&M. Ms. Gay Browning also added that Increment 1 cost would be \$33.9 million. If you remove the O&M, the cost would be \$31.3 million. Mr. Fruge added that this discrepancy would have to be addressed between now and when LDNR sends in the final plan. Mr. MacInnes stated that he wanted to ensure that the project includes the same features.

Mr. Kerry St. Pé, BTNEP, commended Mr. Frugé, Mr. Grandy, and Mr. Norman for their efforts. There is a suite of wonderful projects with meaningful restoration. BTNEP fully supports the long-distance pipeline transport project and he is pleased to see that Lafourche, Terrebonne, and Jefferson Parishes are also in support. The cooperation must extend further and he wants to help the State forge those partnerships with landowners and petroleum interests.

Mr. Leo Richardson, Executive Director of the Lake Catherine Civic Association, complimented the work of Mr. Frugé and the whole team involved with this effort. They have been wonderfully responsive to the interests of all of the communities in the East Orleans Landbridge and the Pontchartrain communities protected by it. He announced that the Lake Catherine Civic Association is a tenant in the Lindy Boggs Conference Center so that they can partner with the Pontchartrain Institute for Environmental Sciences. He asked that the East Orleans Landbridge of CIAP be included in the early action list.

Mr. Sean Duffy, President of Gulf States Maritime Association, expressed concerns about the impacts on navigation from Mississippi River diversions. Do the plans take into account the negative impacts of possible shoaling in the areas? Are they accounting for potential funding for

dredging as was done with the West Bay Diversion Project? Mr. Frugé answered that an analysis addressing those impacts must be performed before construction can begin. Mr. Frugé does not believe funding specifically for additional dredging is included in the projects.

Mr. Henry Rodriguez, St. Bernard Parish President, appreciates everything that has been done and thanked everyone. He is excited about the opportunity to see some of the projects get started.

Ms. Marnie Winter, Jefferson Parish, commended LDNR and Mr. Frugé for putting together an effective plan and for involving the parishes in the development of projects. She asked that the State consider including the Dedicated Dredging on the Landbridge as one of the projects to be done early. Hopefully CWPPRA will approve paying for half of the project.

Mr. Don Samples, Earth Beautiful Foundation, thanked the panel for the shift in funding to the soft side of engineering. He was thankful for the funding for cypress, black mangrove trees, and marsh grasses. He would like to talk to the Task Force about funding for a plant, called vetiver, that has a stronger root system than marsh grasses. He can help with providing experimental plots.

Mr. Randy Moertle, Biloxi Marsh Lands Corporation and Lake Eugenie Land Development Company, agrees with Dr. John Lopez and would like to see a diversion at Violet that affects more than the central wetlands and extends into the Biloxi marshlands.

Colonel Wagenaar challenged the State, the Corps staff, the Technical Committee, and parishes to stay integrated in their approach to save the finite resources. The Task Force will help figure out how to make this work.

B. Decision: Request for Additional Phase II Increment 1 Funding for the West Lake Boudreaux Project (TE-46) (Agenda Item #4)

Mr. Troy Constance presented the Technical Committee's recommendation to the Task Force for approval of an increase in Phase II Increment 1 funding for the West Lake Boudreaux Project in the amount of \$1,916,859. This cost increase is due to the increased cost of materials and construction after the 2005 hurricanes.

Mr. Hamilton moved to approve the Technical Committee's recommendation for an increase in Phase II Increment 1 funding for the West Lake Boudreaux Project (TE-46) in the amount of \$1,916,859 and Mr. Honker seconded. The motion was passed by the Task Force.

C. Decision: Request for Additional Phase II Increment 1 Construction Funds for the Lake Borgne Shoreline Protection Project (PO-30) (Agenda Item #5)

Mr. Constance presented the Technical Committee's recommendation to the Task Force for approval of an increase in Phase II Increment 1 funds for the Lake Borgne Shoreline Protection Project in the amount of \$6,925,824. This cost increase is due to the increased cost of materials and construction after the 2005 hurricanes.

Mr. Gohmert moved to approve the increase in Phase II Increment 1 funding for the Lake Borgne Shoreline Protection Project (PO-30) in the amount of \$6,925,824 and Mr. Honker seconded. The motion was passed by the Task Force.

D. Decision: Request for Phase II Authorization and Approval of Phase II Increment 1 Funding (Agenda Item #6)

Mr. Constance stated that 12 projects are requesting Phase II authorization and funding. The Technical Committee recommends approval of two projects, within available funding. With approval of these two projects the remaining available balance in the Construction Program would be approximately \$22 million. Mr. Constance presented the Technical Committee's recommendation to the Task Force for Phase II authorization and approval of the Dedicated Dredging on the Barataria Basin Landbridge – Fill Site 1 Project (BA-36) in the amount of \$15.2 million, and the Goose Point/Point Platte Marsh Creation Project (PO-33) in the amount of \$18.9 million.

Colonel Wagenaar opened the floor to comments and questions from the Task Force:

Mr. Honker would like to see the Task Force fund an additional project or two instead of leaving \$22 million in reserve. Mr. Hamilton agreed with Mr. Honker. There are a number of good projects in the queue and there may be CIAP money to help fund those projects. As many projects as possible should be constructed.

Colonel Wagenaar opened the floor to comments from the public:

Mr. Tom Aicklen, Coordinator of the Lacombe Heritage Center, speaking on behalf of the Goose Point/Point Platte project stated that he would like to sponsor an informational meeting for the Goose Point/Point Platte Marsh Creation Project.

Mr. Gohmert moved to approve the Technical Committee's recommendation for Phase II authorization and Phase II Increment 1 funding for the Dedicated Dredging on the Barataria Basin Landbridge – Fill Site 1 Project (BA-36) in the amount of \$15,231,142, and the Goose Point/Point Platte Marsh Creation Project (PO-33) in the amount of \$18,989,92. Mr. Hamilton seconded. The motion was passed by the Task Force.

Colonel Wagenaar opened the floor to further discussion from the Task Force:

Mr. Honker would like to consider funding at least one more project. He asked for a discussion on the next two ranked projects, Grand Lake Shoreline Protection and the East Grand Terre Island Restoration Projects, in terms of whether these projects are exactly the same as on the CIAP list.

Ms. Melanie Goodman said that the Grand Lake Project in the draft CIAP plan proposes the same engineering and design features as the Corps-designed project, with the exception of the Tebo Point Extension. The CIAP project also does not include long-term O&M.

There was discussion on the dollar amounts needed for project construction (with and without Tebo Point segment) and 3 years of O&M versus 20 years of O&M cost. Direct funding comparisons between the CWPPRA and CIAP projects were difficult because of the contingency used in CWPPRA (25%) versus CIAP (15%).

Mr. Gerry Duszynski wanted to make sure the Task Force understood that the money was left on the table by the Technical Committee in an effort to fund projects already in the pipeline for construction. The money is going quickly with post-storm conditions. The idea was to complete the projects in the pipeline rather than pick new projects.

Mr. Gohmert said that it is a good point to be fiscally responsible for projects to which CWPPRA is already committed. There are going to be overages and increasing cost. If the State is going to step up with CIAP money, another project may be able to be funded and still have money to cover the increasing costs. On the Grand Lake project, if the state picks up the \$10.6M, then the Task Force is only looking at the difference.

Colonel Wagenaar asked where the Grand Lake Shoreline Protection with Tebo Point Project ranked in regards to the East Grand Terre Island Restoration Project. Mr. Gohmert replied that the Grand Lake Project is the next one on the ranking list.

Mr. Rick Hartman said that \$32 million in cost overruns were estimated for projects ready to go to bid within the next year and a half. If bids came in high as expected, projects already through engineering and design and approved for construction may not be able to be built. There is a 25 to 30 percent increase in construction costs post-Katrina, and the Technical Committee was hoping to have enough money available to build projects without borrowing from future budgets. Mr. Constance said that additional money is potentially available to the program if completed projects and other activities can be cleared from the books.

Mr. Hamilton said it seems that there is about \$150 million in unobligated balances. As projects are ready to go and there is an opportunity to leverage money, should the Task Force fund the projects now or wait a year? In essence, the Task Force is borrowing against next year's allocation. It does little good right now to have money sitting in an account; it does a lot of good to put these projects on the ground.

Mr. Honker agreed with Mr. Hamilton. He stated that the Task Force has, in the past, forward-funded projects before it actually had the money in hand. He believes it makes sense to fund projects now before money is available from the next year's budget. The Task Force could fully-fund the Grand Lake Shoreline Protection Project, fund the difference between the CWPPRA and the CIAP project, or start another project. If the Task Force decided to fund the Grand Lake project, would the State modify the CIAP plan to fund something else?

Ms. Coffee replied that the State has completed the CIAP plan and would like to see the project completed. Why not use CWPPRA funding to completely fund the project?

Mr. Gohmert said that it is a deal for CWPPRA to partner with the State and get a project completed. He thinks the Task Force can approve the difference in what the State's going to fund.

Mr. Honker asked if the funding is split between CWPPRA and CIAP, is that workable from an administrative standpoint? Mr. Gohmert replied that it has been done before.

Dr. Zobrist agreed that a compromise may be to fund the difference. He thinks the Technical Committee made a wise recommendation to safeguard \$22 million for potential cost overruns. It is part of the reality and responsibility of this program to build projects to which they have committed funds.

Ms. Browning said that between \$8-10 million can be cleaned up this FY on completed construction projects; that could make \$32 million available. In addition, there is another \$34 million in unobligated funds for PPL 1-8 projects that haven't gone to construction. Some were approved as early as PPL 2-6.

Colonel Wagenaar opened the floor to comments from the public:

Ms. Leslie Suazo, Director of Coastal Restoration for Terrebonne Parish, appreciates the Task Force's efforts to be frugal and responsible. She suggested that the South Lake DeCade Project (TE-39), which had the highest prioritization score and a cost of \$2 million, be considered in an effort to get a project on the ground quickly while not spending a lot of money. The landowner has committed to contribute the State's share. Colonel Wagenaar commented that funding this project would be unfair to projects TE-43 and TE-47, because the South Lake DeCade project was ranked below them by the Technical Committee.

Mr. Gohmert moved to allow CIAP to fund construction of the Grand Lake Shoreline Protection Project (ME-21) without Tebo Point and to have CWPPRA fund the difference between the CIAP and CWPPRA project features (i.e. the Tebo Point segment) plus 3 years of O&M for the entire project for a total of \$9 million (\$2.7M for construction of the Tebo Point segment and \$6.3M for the 1st 3 years of O&M for the entire project). Mr. Honker seconded. The motion was approved by the Task Force.

Mr. Hamilton stated that there may be another \$8-10 million on the books if we scrub the projects. He would like for the Task Force to consider the East Grand Terre Island Restoration Project as another opportunity to partner with CIAP.

Mr. Frugé said that the State's plan for East Grand Terre Island Restoration is \$27 million and does not include O&M.

Colonel Wagenaar said that the Task Force could take the East Grand Terre Project off the books, let the State build it and only worry about O&M.

Dr. Zobrist would love to see the East Grand Terre Island Restoration Project built, but has concerns about the CWPPRA finances. He is concerned that this may cause future financial problems for the program and the commitment to projects already on the books.

Colonel Wagenaar suggested the Task Force to have a virtual vote between now and the next meeting regarding the East Grand Terre Island Restoration Project, based upon the need to tie down the dollar figures.

Colonel Wagenaar opened the floor to comments from the public:

Mr. Andrew MacInnes, Plaquemines Parish Government, said that the State and the parish have worked closely in moving the East Grand Terre Island Restoration Project to the short list to be built. It is not often that there is an opportunity to leverage CWPPRA money that allows the project to be built and ensure 20-year maintenance and monitoring. It comes down to whether the Task Force wants to be the ants or the grasshoppers. The barrier islands may deserve different consideration. If something comes up and the parish has to come back to the Task Force for more money to incorporate the project into CIAP, it may be a less opportune time to make that request. The Parish is contributing \$6 million to the project as well.

Mr. Hartman pointed out that this is a CWPPRA project that is being transitioned into CIAP. Even though there is no Standard Operating Procedure (SOP) for CIAP requesting additional funds, there is an SOP for CWPPRA doing fax votes for additional dollars. If CIAP experiences a need for additional funds, the Federal sponsor would be willing to request additional construction or O&M funds at that time.

Colonel Wagenaar recommended deferring any additional funding decisions until the next Task Force meeting. The Technical Committee was tasked with determining the costs associated with CIAP versus non-CIAP, including O&M breakdown, for projects BA-30, TE-43, TE-47, and TE-39. Mr. Honker commented that there is \$13 million left.

E. Decision: Request for One Year Construction Time Extension for North Lake Mechant Landbridge Restoration Project (TE-44) (Agenda Item #7)

Mr. Constance stated that according to the SOP, if a construction award does not occur within 2 years of Phase II approval, those Phase II funds will be placed on a revocation list for consideration by the Task Force. The Task Force approved Phase II funding for the North Lake Mechant Landbridge Restoration Project in October 2004. The Technical Committee recommends approving a 1-year extension for this project.

Mr. Gohmert moved to approve a 1-year extension for the North Lake Mechant Landbridge Restoration Project (TE-44), with the contingency that a status report be provided at quarterly Task Force meetings until a construction contract is awarded. Mr. Hamilton seconded. The motion was approved by the Task Force.

F. Decision: Transitioning Projects to Other Authorities (Agenda Item #8)

Mr. Constance presented the Technical Committee's recommendation to the Task Force for approval of the 22 November 2006 version of the process to transfer projects to other authorities. Colonel Wagenaar noted that the difference between the 22 Nov 06 and 4 Dec 06 versions of the document relate to if the Task Force has a 'vote' on transfers directed by Congress (specific authorization).

Colonel Wagenaar opened the floor to comments and questions from the Task Force:

Mr. Honker said that it is appropriate for the lead agency to put together a transition plan in terms of how to phase from one program to another. There is value in having the Task Force discuss and concur. Ms. Coffee agreed.

Mr. Hamilton made a motion to approve the 22 November 2006 version of the process to transfer projects to other authorities. Mr. Gohmert seconded. The motion was passed by the Task Force.

VI. INFORMATION

A. Report: Status of Breaux Act Program Funds and Projects (Agenda Item #3)

Ms. Browning stated that the Task Force approved \$5.2 million for the FY07 Planning Budget on October 18, 2006, leaving a surplus of \$935,000 in the Planning Program. A total of \$643 million in Federal funds has been received into the Construction Program through 2006. An estimated \$71.4 million in Federal funds is expected in FY07. Total obligations are \$606 million, and total expenditures are \$329 million. There are 143 active projects: 70 have completed construction, 18 are under construction, and 55 have not yet started construction. Eighteen projects are scheduled to start construction in FY07; two have started construction (one cash flow and one non-cash flow). As of February 11, 2007, there are \$55.4 million in available funds, including the FY07 allocation not yet received. Total funds in the Construction Program, including non-Federal cost-share and FY07 allocation, is \$84 million.

Ms. LeBlanc reviewed the funding requests up for consideration. The Technical Committee recommendations for cost increases and Phase II approval totals \$43.1 million. There is \$65.2 million in available funding (Federal and non-Federal) prior to any Task Force decisions. If all Technical Committee recommendations are approved, the remaining available Federal funding in the Construction Program will be \$22.1 million. Twelve projects are requesting Phase II Increment 1 funding, for a total of \$261.4 million. Taking into consideration the Technical Committee's recommendation to fund two projects for Phase II, there is an additional \$227 million in additional need that has not been met for projects that are ready to move to construction. An additional \$9.1 million in FY07 funding is needed for cost increases due to the hurricanes (requested today). Additional funding of \$32.2 million is needed for projects scheduled to begin construction in FY08. Three of the FY08 projects will require additional funding late in FY07. The Task Force could make the decision to approve funding for the late FY07 need out of FY08 funds. The current unobligated balance is \$192 million. The

obligated balance is \$670.5 million. Currently, there are \$66.1 million in available funds, including \$934,000 in the Planning Program and \$65.2 million in the Construction Program. There was an unobligated balance of \$124 million carried over from FY06.

Ms. LeBlanc stated that the projected total program funding (Federal and non-Federal) over the life of the program is estimated to be \$2.44 billion, including \$5 million per year for Planning. The total cost to construct and provide 20 years O&M for all projects on PPLs 1 through 16 is \$1.94 billion. PPLs 1 through 8 already have 20 years of funding set aside and do not have to come back for Task Force approval. PPLs 9 and above set aside funds in increments. Total Federal and non-Federal funds into the program equal \$2.437 billion. Twenty years of funding required for projects already approved for construction totals \$1.042 billion, leaving a gap of \$1.4 billion available to construct and provide 20 years O&M for additional projects. The gap becomes \$1.35 billion when including the two cost increases and Phase II funding approvals up for decision.

Colonel Wagenaar opened the floor to comments and questions from the Task Force:

Mr. Honker asked if the \$32 million in projects that have not yet started construction was included in the \$192 million unobligated balance. Ms. LeBlanc confirmed that the \$32 million is part of the unobligated balance. Ms. LeBlanc reiterated that the total cost for all projects on PPLs 1-16 is \$1.94 billion. Ms. LeBlanc reported on the quarterly tracking of cost to provide 20 years of O&M for projects which have construction funding. The total funds anticipated over the life of the program is \$2.437 billion (Federal and non-Federal). \$1.042 billion is needed for projects which have construction funding approval.

B. Discussion: Funding of Environmental Impact Statements (EIS)/National Environmental Policy Act (NEPA) for Transferable CWPPRA Projects (Agenda Item #9)

Mr. Constance said that the question arose at previous meetings as to whether or not the Task Force should continue to fund NEPA efforts on projects that ultimately will be moved to another program. The Technical Committee chose not to make a specific recommendation to the Task Force; rather, NEPA efforts should be considered on a case-by-case basis as is the current practice.

Colonel Wagenaar said the question is: should the Task Force use CWPPRA money to fund NEPA/environmental work for projects that will not be constructed under CWPPRA?

Mr. Constance said that when a project is initiated, it is under the assumption that CWPPRA will build it. The Task Force had directed that projects like Bayou Lafourche and Myrtle Grove be moved. There are other diversion projects where it is unclear who is going to ultimately build those projects.

Colonel Wagenaar opened the floor to comments and questions from the Task Force:

Mr. Honker said that this is an issue of the transition plan. He does not know that there can be a standardized approach on this issue; it has to be a case-by-case decision.

Ms. Coffee agreed that it is a project-by-project issue. It is also a great opportunity for more cooperative endeavors.

Mr. Gohmert added that the NEPA process is part of the early planning process. He agreed with Mr. Honker that it is not always known up front whether the project will be handed off or not. Even if the project is transferred, it is still a CWPPRA-endorsed project that would have been built had the funds been available. The Task Force needs to keep the flexibility to make the decision. He agreed with Ms. Coffee that it is to the advantage of both programs to leverage and move forward.

Colonel Wagenaar stated that the consensus seems to treat the issue on a case-by-case basis.

C. Discussion: Status of Unconstructed Projects (Agenda Item #10)

Ms. LeBlanc presented a color-coded spreadsheet to the Task Force with information concerning projects that are potentially experiencing delays. Projects marked yellow are ones agencies feel 'potentially may be delayed and warrant further discussion'. Projects marked green are ones agencies feel 'aren't delayed and don't warrant further discussion'. The Technical Committee delegated this effort to the Planning and Evaluation (P&E) Subcommittee. The P&E Subcommittee has asked the agencies to submit a one-page status report on all 50 projects listed in the spreadsheet. A conference call is scheduled for February 26, 2007 to narrow the list to projects that warrant further discussion. The P&E Subcommittee will meet with project managers from the State and Federal agencies at the end of March to determine a direction for those projects.

Colonel Wagenaar said that there are projects that have had no progress for years, and may have O&M dollars set aside for these projects. The O&M dollars can potentially be used to fund construction and be paid back at a future date. The CWPPRA Task Force and Program are known for its ability to quickly execute and get projects on the ground. These projects are tarnishing CWPPRA's reputation.

Colonel Wagenaar asked the Technical Committee to make recommendations at the next Task Force meeting regarding taking away O&M money from projects that are sitting there and paying it back at a later date.

Colonel Wagenaar opened the floor to comments and questions from the Task Force:

Mr. Honker suggested a red category for projects on 'probation'. Mr. Gohmert stated that we owe it to the public to answer why projects are dragging.

Mr. Hamilton said that this is a worthwhile thing to do. He suggested looking at measurable milestones. If the target is continually missed, then it may be time to move on and look at other projects.

Colonel Wagenaar asked for briefings on delayed projects at the next Task Force meeting. Ms. LeBlanc noted that the P&E Subcommittee will hold their meetings at the end of March, and asked if the Task Force wanted the subcommittee to go through and decide which projects needed to be presented to the Task Force in May. Colonel Wagenaar agreed, as long as the P&E understood the Task Force's intent.

Colonel Wagenaar opened the floor to comments from the public:

Mr. Randy Moertle, Avery Island Incorporated and McIlhenny Company, said that one such project, Weeks Bay Shoreline Protection, has been kept on the books because they are trying to retool how the project is constructed and cut the price down. CIAP money for Iberia and Vermilion Parish has been dedicated to keep sediment moving down the GIWW.

D. Discussion: Long-Term O&M of CWPPRA Projects Including a Breakdown of O&M by Project Type (Agenda Item #11)

[Mr. Gerry Duszynski stepped in for Ms. Sidney Coffee, as the State's Task Force representative for the remainder of the meeting.]

Mr. Constance said that the Technical Committee met as directed by the Task Force to discuss funding of long-term O&M. He asked the Task Force for better clarification on how to address managing O&M in the future.

Ms. LeBlanc presented breakdowns by project type for first construction and O&M costs, including the percentage of total first construction cost by project type, the percentage of total O&M cost by project type, the average first construction costs by project type, and the average O&M costs by project type.

Colonel Wagenaar opened the floor to comments and questions from the Task Force:

Mr. Duszynski said that if the decision at the programmatic level is to reduce O&M, then different project types can be selected, but that is a Task Force directive to the workgroups to develop these types of projects.

Mr. Honker said that this sort of analysis is helpful to the Task Force and CIAP staff. It is obvious that some project types are more O&M-demanding than others. Are there any design or construction features that can be built that may cost more for construction, but would reduce O&M in the long-term?

Mr. Constance said that there was discussion about approaches to analyze the O&M costs. The approach in which you take on each of these has different consequences. The Technical Committee will lay out ways in which to approach this and then report back at the next Task Force meeting. The Technical Committee could also look at new technologies in which to reduce O&M costs.

E. Report: Results of Fax Vote by the Task Force to Increase Construction Funding in the Amount of \$1,859,265 for the PPL 7- Barataria Landbridge Shoreline Protection, Construction Unit 5 Project (BA-27) (Agenda Item #12)

Ms. LeBlanc reported that the Task Force passed a resolution on January 29, 2007 by majority vote to approve additional funding of \$1,859,265 for the Barataria Basin Landbridge, Construction Unit 5 (BA-27) Project.

F. Report: Public Outreach Committee Quarterly Report (Agenda Item #14)

Mr. Scott Wilson, USGS Public Outreach Chairman, presented the Public Outreach Committee's Quarterly Report. The Restore America's Estuary Conference in New Orleans in December 2006, along with numerous tours, vegetative plantings, presentations, papers, and exhibits held throughout that week, highlighted the work performed in coastal Louisiana. The Outreach Committee gave a presentation in November 2006 to participants in a White House fellowship program for government executives. The presentation reviewed coastal Louisiana, the impacts of the storms, rebuilding the Gulf Coast, and environmental issues. Assistant Secretary of the Interior Mark Limbaugh and USGS Director Mark Myers recently visited the Corps for briefings on restoration and science activities in coastal Louisiana. The latest issue of *WaterMarks* focuses on rebuilding coastal Louisiana and discusses the integrated programs with which CWPPRA is partnering. Lastly, the 2006 Report to Congress has been completed.

Colonel Wagenaar added that the Report to Congress was an excellent, very professional product.

VII. ADDITIONAL AGENDA ITEMS

Colonel Wagenaar announced that this meeting would be Dr. Zobrist's last as a member of the Task Force. Colonel Wagenaar thanked Dr. Zobrist for his efforts and presented him with a Task Force certificate and Corps 2006 doubloon for meeting the challenges. Dr. Zobrist said that it has been a pleasure to participate in this program and thanked CWPPRA for the privilege of serving. He is moving on to a new challenge by heading the Research and Science Program for the Restoration Center.

Mr. Hamilton said that there are a lot of projects coming forward with cost overruns. This is a sleeping giant. He asked if there is a rigorous review of the cost estimates of these projects. Many decisions are made on which projects go forward based on benefits and cost. He asked for a presentation at a future Task Force meeting to determine how the process of developing good estimates is tightened.

Colonel Wagenaar said that if the project manger has not redone the cost estimate since the hurricanes, then the current estimate is wrong. He asked if there was a system to validate cost estimates. Ms. LeBlanc replied that the estimates are validated through the Engineering Workgroup. All Phase II cost estimates up for consideration today were reviewed and approved by the Engineering Workgroup. Even without increased costs due to hurricanes, the SOP requires that the Engineering Workgroup review all cost estimates. There is a process in place in

the SOP. Colonel Wagenaar asked when a project with increases would have to come to the Task Force for validation. Ms. LeBlanc stated that project costs are capped at 100%. The Task Force approval is required to go over 100%. Therefore, all projects requesting cost increases must receive Task Force approval.

Mr. Duszynski said that it might be helpful for the Task Force to get a short presentation on how the workgroups and committees go through the review process, including benefit and cost changes.

Mr. Wilson announced that the annual crawfish boil would take place on May 2, 2007 in Lafayette.

VIII. REQUEST FOR PUBLIC COMMENTS

Mr. Channing Hayden, Port of Lake Charles, assured the Task Force that the Port of Lake Charles is committed to the beneficial use of dredged material and would like to offer their services to facilitate any of these projects in the Calcasieu Ship Channel.

Mr. Sean Duffy, Gulf States Maritime Association, reiterated Mr. Hayden's point. The navigation interests on the Mississippi River are all for the beneficial use of dredge material, but the Task Force should remember that there is shoaling with diversion projects. In the West Bay Diversion situation, there was an agreement reached prior to approval with the navigation interests. When there was shoaling past the point of agreement, it took several meetings and quite some time to get a dredge on site. He would like to make sure that when the diversions are modeled, navigation interests and pilots are brought in on the front end to look at places where shoaling might not have such an impact. Also, if you put in a sediment trap or diversion, dredging will have to be addressed sooner or later.

Mr. Lee Richardson, Lake Catherine Civic Association and on behalf of Venetian Isles, Irish Bayou, Slidell, Lacombe, Mandeville, Madisonville, Manchac, LaPlace, Kenner, Metairie, and the East Bank of New Orleans, asked the Task Force to consider combining the two projects in the Pontchartrain Basin that placed first and second at the RPT meeting. He is very thankful for the Alligator Bend Project that addressed the south shore of the Orleans Landbridge. For PPL 17, the north shore of the Orleans Landbridge will be addressed. Each of the State and Federal agencies gave high voting points for these two projects. These two projects had a total of 122 out of 130 points. The community and agency sponsors proceeded independently in the submittal. The community is now faced with the decision on how to proceed with nearly identical projects. He requested that the Task Force allow the projects to be combined.

IX. CLOSING

A. Dates and Locations of Upcoming CWPPRA Meetings

Colonel Wagenaar announced that the next Task Force meeting is scheduled for May 3, 2007 at 9:30 a.m. in Lafayette.

B. Adjournment

Colonel Wagenaar adjourned the meeting at 12:40 p.m.