

AGREEMENT BETWEEN
THE PONTCHARTRAIN LEVEE DISTRICT
AND
ST. CHARLES PARISH

THIS AGREEMENT is entered into by and between:

THE PONTCHARTRAIN LEVEE DISTRICT, 2204 Albert Street, P. O. Box 426, Lutcher, LA 70071, represented herein by its President, Steven Wilson, acting pursuant to a Resolution passed by the Board of Commissioners of the Pontchartrain Levee District at its meeting on 11-15-, 2010.

AND

ST. CHARLES PARISH, 15045 River Road, P. O. Box 302, Hahnville, LA 70057, represented herein by its Parish President, V. J. St. Pierre, Jr., acting pursuant to Ordinance No. 10-7-10 of the St. Charles Parish Council adopted on July 26, 2010.

WHO HEREBY AGREE AS FOLLOWS:

WHEREAS, the United States Army Corps of Engineers (USACE) has conducted a reconnaissance study for hurricane protection for the West Shore – Lake Pontchartrain, Louisiana Hurricane Protection Project (hereinafter West Shore Project) which includes the area of Montz, St. Charles Parish, Louisiana, and has determined that further study in the nature of a Feasibility Phase Study is required to assess the extent of Federal interest in participating in a solution to the problem of hurricane protection and flood control in the Montz area of St. Charles Parish and extending into St. John the Baptist and St. James Parishes; and,

WHEREAS, Section 105 of the Water Resource Development Act of 1996 specifies the cost sharing requirements applicable to the Study; and,

WHEREAS, the local Non-Federal portion of the cost of the Study is now estimated to be Seven Million One Hundred Twelve Thousand Eighty and 00/100 (\$7,112,080.00) DOLLARS; and,

WHEREAS, the current estimated cost of construction of the project is Four Hundred Forty-Eight Million Five Hundred Eighty-Five Thousand Six Hundred and 00/100 (\$448,585,600.00) Dollars, with a local Non – Federal estimated cost of One Hundred Fifty-Seven Million Five Thousand and 00/100 (\$157,005,000) Dollars; and

WHEREAS, based on the current estimated cost of construction, the Parish portion would be Seven Hundred Seventeen Thousand Five Hundred and 00/100 (\$717,500.00) Dollars; and

WHEREAS, neither the Pontchartrain Levee District nor St. Charles Parish is financially capable of bearing one hundred percent(100%) of the total local Non-Federal portion of the Study nor construction; and,

WHEREAS, it is desired that the cost share be divided with the Pontchartrain Levee District being responsible for eighty percent (80%) and St. Charles Parish being responsible for twenty percent (20%) of the local Non-Federal portion of the project cost.

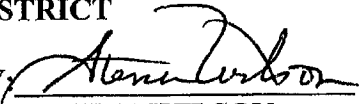
NOW THEREFORE, IT IS AGREED AS FOLLOWS:

1. The Pontchartrain Levee District shall provide eighty (80%) percent and St. Charles Parish shall provide twenty (20%) percent of the local Non-Federal portion of the project cost for the West Shore – Lake Pontchartrain, Louisiana Hurricane Protection Project that is to be constructed within St. Charles Parish, Louisiana, including specifically, but not limited to the Montz area;
2. The commitment between the Pontchartrain Levee District and St. Charles Parish shall remain binding provided that St. Charles Parish remains a member of the Pontchartrain Levee District and continues to participate in its portion of the project cost;
3. Future credit given for any advance payments made by the Pontchartrain Levee District for right-of-way acquisition or otherwise shall be credited against the Pontchartrain Levee District's eighty (80%) percent commitment under this agreement;
4. In the event funding for the local Non-Federal portion of the project shall be received from outside sources, by either the Pontchartrain Levee District or St. Charles Parish, credit for those funds shall be given to the Pontchartrain Levee District and St. Charles Parish in the percentage as set out in this Agreement;

5. St. Charles Parish's twenty (20%) percent commitment, as set out herein, shall be paid in annual installments due and payable each year upon such terms as may be agreed by the parties hereto;
6. In the event St. Charles Parish should choose to provide funding for either the study or construction beyond its twenty (20%) percent obligation, the Pontchartrain Levee District shall repay St. Charles Parish such overpayment upon a schedule to be agreed upon by the Pontchartrain Levee District and St. Charles Parish; and
7. The Pontchartrain Levee District and St. Charles Parish shall work jointly in seeking additional financing from other sources for the local Non-Federal portion of the St. Charles Parish portion of the West Shore – Lake Pontchartrain LA Hurricane Protection Project.

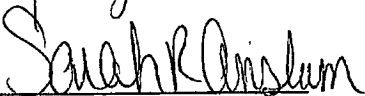
IN WITNESS WHEREOF, THE PARTIES HERETO HAVE EXECUTED THIS AGREEMENT AS OF THE DATE SHOWN BELOW.

THE PONTCHARTRAIN LEVEE DISTRICT

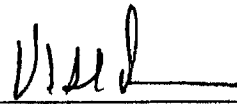
BY: 
STEVEN WILSON
PRESIDENT

DATE: 11-15-2010

WITNESS: 

WITNESS: 

ST. CHARLES PARISH

BY: 
V. J. ST. PIERRE, JR
PARISH PRESIDENT

DATE: 7/27/2010

WITNESS: 

WITNESS: 

West Shore – Lake Pontchartrain, LA Hurricane Protection Project

Project Authorization

In September 1965, Hurricane Betsey struck the greater New Orleans area and caused severe flooding in the Lower 9th Ward of Orleans Parish and almost all of St. Bernard Parish. Congress authorized the U.S. Army Corps of Engineers (USACE) to design and construct the Lake Pontchartrain and Vicinity, Louisiana Hurricane Protection Project in the Flood Control Act of 1965 in October 1965.

In 1970, St. John the Baptist Parish (St. John) raised objections to the Lake Pontchartrain and Vicinity, Louisiana Hurricane Protection Project based upon the lack of hurricane protection levees west of the Bonnet Carre' Spillway. St. John argued that the development of hurricane protection levees from Orleans Parish to St. Charles Parish would funnel the storm surge to St. John the Baptist Parish thus consequently sacrificing St. John to save others.

In July 1971, a resolution was passed in the Committee on Public Works of the House of Representatives authorizing the USACE to include the remaining portion of St. Charles Parish (from the Bonnet Carre' Spillway Upper Guide Levee to the Parish line) and St. John the Baptist Parish in the Lake Pontchartrain and Vicinity, Louisiana Hurricane Protection Project. In September 1974, a resolution was passed in the Committee on Public Works of the Senate authorizing the USACE to include St. James Parish in the Lake Pontchartrain and Vicinity, Louisiana Hurricane Protection Project.

Project Location

The West Shore – Lake Pontchartrain, Louisiana Hurricane Protection Project is located in a portion of St. Charles Parish and St. John the Baptist Parish. The project begins at the Upper Guide Levee of the Bonnet Carre' Spillway and continues westward to the Hope Canal providing protection to the communities of Montz, LaPlace, Reserve, and Garyville. The USACE and the PLD are considering expanding the project to include St. James Parish and a portion of Ascension Parish. The project would continue westward from Hope Canal along Interstate 10 to the Marvin Braud Pump Station in the McElroy Swamp near Sorrento. This expanded project would also provide protection to the communities of Mount Airy, Gramercy, Lucher, Grand Point, and Sorrento.

Project History

The West Shore – Lake Pontchartrain, Louisiana Hurricane Protection Project Reconnaissance Report was completed in August 1987. The Reconnaissance Report was not approved due to an unfavorable Benefits-to-Cost ratio.

The West Shore – Lake Pontchartrain, Louisiana Hurricane Protection Project Reconnaissance Report was re-initiated in March 1996, completed in June 1997, and approved in December 1997. A Feasibility Cost Sharing Agreement between the USACE and the Pontchartrain Levee District (PLD) was executed in March 1998. The Feasibility Study was initiated in April 1998. The USACE prepared eight alternative alignments during the Feasibility Study and presented them to the PLD and St. John in January 2001.

St John expressed concerns that the Parish's interests were not being addressed with the proposed alignments. In a July 2001 meeting with the USACE and the PLD, St. John requested the addition of a Parish preferred alternative alignment in the Feasibility Study. In September 2001, St. John submitted a Parish preferred alignment to the USACE.

In a July 2002 USACE letter to St John, all the alternative alignments were reduced to a USACE preferred alignment (Plan A) and a Parish preferred alignment (Plan B) for further analysis. The USACE then proceeded to perform preliminary engineering design on the two proposed alignments including alignments, levee stability analysis and templates, cross sections, mitigation impacts, and itemized cost estimates. In September 2003, the USACE presented detailed information (costs, benefits, & environmental impacts) required for the evaluation of two alignments to the PLD.

The USACE requested that the PLD and St. John determine which alignment to proceed with, Plan A or Plan B, while noting that the PLD and St. John would be responsible for the cost difference between Plans A and B. Under Plan A, the estimated project cost was \$151 Million with a Federal Match of approximately \$98 Million and a Local Match of \$53 Million. The Plan B estimated project cost was \$237 Million with a Federal Match of approximately \$98 Million and a Local Match of \$139 Million.

When the USACE presented their findings in September 2003, they requested a decision on Plan A or B be made by the end of the year. The Local Match of \$139 Million was beyond the means of the PLD and St John.

The PLD engaged the consulting firm of Burk-Kleinpeter, Inc. (BKI) to develop an alternative alignment that would meet the cost needs of the PLD and St. John and be acceptable to the USACE. Alignment C was developed from discussions with USACE personnel and St John Council Members. BKI proceeded to perform preliminary engineering design on the proposed alignment including alignment, levee stability analysis and templates, cross sections, mitigation impacts, and itemized cost estimates. The estimated Project Cost in 2003 Dollars for the Standard Project Hurricane (SPH) and the 100 Year Hurricane along the Alignment C were \$134.5 Million and \$131.5 Million, respectively. BKI prepared an evaluation report and submitted it to the PLD and the USACE in November 2006.

Based upon the evaluation report, the USACE contracted Post, Buckley, Schuh, and Jernigan (PBS&J) to review the BKI evaluation report. PBS&J determined that Alignment C was an engineering and economic feasible alignment worthy of further consideration in the Feasibility Study. During the review process by PBS&J, the State of Louisiana Department of Transportation and Development expressed interest in extending the West Shore Hurricane Protection Project westward toward Ascension Parish to protect the Interstate 10 corridor as a means on egress and ingress for hurricane protection and recovery based upon the lessons learned during Hurricane Katrina.

After Hurricane Katrina, the USACE revised their design criteria for levee and floodwall construction. The material requirements for earthen levees were made more stringent, the failure analysis method was changed, and the height limits on floodwalls was made more stringent. Based upon these changes, the project cost estimates were reevaluated with post Hurricane Katrina bid tabulations. The estimated project cost in 2008 Dollars was \$258,000,000.00 based upon unit costs from post Katrina bid tabulations.

The USACE commissioned PBS&J to include Alignment C and Alignment D into the formal Feasibility Study in May 2008. PBS&J and BKI as agents for the USACE and the PLD are working on completion of the Feasibility Study and Environmental Impact Statement.

Status of Work

The work on the Feasibility Study Report is split evenly between the USACE and the PLD. The Feasibility Study has been advanced to a draft format stage. There are four alignments being reviewed; one that followed the wet-dry interface with the wetlands from the Upper Guide Levee to Hope Canal (Alignment A); one that followed the Interstate-10 route from the Upper Guide Levee to Hope Canal then turning south toward the Mississippi River (Alignment B); one that followed the petroleum pipeline right-of-way from the Upper Guide Levee to Hope Canal then turning south toward the Mississippi River (Alignment C); and one that followed the Interstate-10 route from the Upper Guide Levee to the Marvin Braud Pump Station in Ascension Parish (Alignment D).

An amended Project Management Plan for the completion of the Feasibility Study and the Environmental Impact Statement was signed May 28, 2008. The Project Kick-off Meeting was held on July 31, 2008, the Initial Plan Formulation Meeting was held on August 14, 2008, the Signing Ceremony was held on September 30, 2008. The scheduled completion of the Feasibility Study and Environmental Impact Statement has a scheduled approval date of July 2011 and a Chief's Report in April 2012.

The PLD intends to accelerate the overall project by designing the first segments of the project concurrently with the Feasibility Study and the Environmental Impact Statement completion. PLD has directed BKI to prepare alternative studies for Alignments B and D, which are the PLD preferred alignments. Alignment D is the PLD optimally preferred alignment based upon providing protection to all of the unprotected communities along the entire southern shore of

Lake Pontchartrain and to the Interstate 10 corridor for egress and ingress for hurricane protection and recovery.

Funding History

The cost share requirements for the Feasibility Study/Environmental Impact Phase is 50% Federal funds and 50% Non-Federal funds. Project funding available for FY 05 was approximately \$200,000 (\$100,000 Federal and \$100,000 Non-Federal). No funding was authorized for FY 06. Project funding available for FY 07 was approximately \$200,000 (\$100,000 Federal and \$100,000 Non-Federal). Project funding for FY 08 was approximately \$1,601,000 (\$697,950 Federal and \$903,050 Non-Federal). As of early May 2008, \$3,068,000.00 had been spent and an additional \$3,914,000 obligated on this project for completion for a project total of \$6,982,000. Project funding for FY09 was approximately \$3,914,000 (\$1,789,500 Federal, \$1,269,300 Non-Federal Cash, and \$855,200 Non-Federal Work in Kind). Project funding for FY10 was approximately \$170,000 Federal.

Funding Requirements for FY 2010-2011

Funding required for completion of the Feasibility Study Phase will be 50% Federal and 50% Non-Federal. The USACE has requested \$250,000 for FY11. PLD provided a large Non-Federal Cash payment in 2009 and will provide additional matching funds when requested by the USACE.

FY 11 Federal Request \$250,000

Funding Requirements for Future Years

The West Shore Project was included in the Coastal Protection and Restoration Authority local match funding (specific limit not known) for current Hurricane Protection Projects for a statewide total of \$160,000,000. A Capital Outlay Request for FY2010-2011 was prepared and submitted by the November 1, 2009 deadline. The request from Capital Outlay was \$109,524,200 over a ten-year period with \$4,728,300 in the first year.

Funding for the design and construction phase is anticipated to be 65% Federal and 35% Non-Federal. The Non-Federal funding share will be provided by the State of Louisiana, the Pontchartrain Levee District, St. John the Baptist Parish, St. James Parish, and Ascension Parish. The State and the PLD will provide 80% and the Parishes will provide 20% of the Non-Federal Funds required. The Parishes will provide 20% of the Non-Federal Funds required for the portion of construction within their Parish.

The estimated project cost in 2009 dollars for the Alignment B from the Upper Guide Levee to the Hope Canal is \$304,000,000.00.

Federal	\$197,710,600
<u>Non-Federal</u>	<u>\$106,459,500</u>
Total	\$304,170,100

State/PLD	\$85,167,600	20.98mi Levee, 4 Pump Stations
St. Charles Parish	\$716,400	0.58mi Levee, Partial Pump Station
St. John the Baptist Parish	\$20,575,500	20.40mi Levee, 4 Pump Stations

The estimated project cost in 2009 dollars for the Alignment D from the Upper Guide Levee to the Marvin Braud Pump Station is \$448,585,600.00.

Federal	\$291,580,600
<u>Non-Federal</u>	<u>\$157,005,000</u>
Total	\$448,585,600

State/PLD	\$125,604,000	28.40mi Levee, 6 Pump Stations
St. Charles Parish	\$717,500	0.58mi Levee, Partial Pump Station
St. John the Baptist Parish	\$18,177,100	16.26mi Levee, 4 Pump Stations
St. James Parish	\$8,005,700	6.76mi Levee, 1 Pump Station
Ascension Parish	\$4,500,700	4.80mi Levee, 1 Pump Station

U.S. Army Corps of Engineers - New Orleans District
 West Shore - Lake Pontchartrain Hurricane Protection Project; Alternative Alignments



Legend

- Alignment A
- Alignment B
- Alignment C
- Alignment D
- Non-Federal Levee
- Bommet Carré Spillway
- Mississippi River Levee

