

LEVEE DISTRICTS



PERFORMANCE AUDIT
ISSUED FEBRUARY 14, 2007

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February 14, 2007

Chairperson of Coastal Protection and Restoration Authority
Secretary of Department of Transportation and Development
Secretary of Department of Natural Resources

Dear Members of the Coastal Protection and Restoration Authority:

This report provides the results of our performance audit of the functions of certain levee districts in the Louisiana Coastal Zone. We prepared this report in response to a request by members of the Coastal Protection and Restoration Authority (CPRA) and the Department of Transportation and Development (DOTD) for information related to the recent constitutional amendment that reorganizes and consolidates levee districts in the Louisiana Coastal Zone.

Our performance audit focused on general and best practice information necessary for an efficient levee district reorganization and consolidation. The recent constitutional amendment took effect on January 1, 2007. To provide timely information, we have already verbally shared much of the information in this report with members of the CPRA and DOTD.

The accompanying report presents our findings, conclusions, and recommendations. I hope this report will benefit you in your efforts to implement the recent levee district legislation.

Sincerely,

Steve J. Theriot, CPA
Legislative Auditor

SJT/dl

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EXECUTIVE SUMMARY

We identified major functions of the levee districts in the Louisiana Coastal Zone and relevant best practices so the Coastal Protection and Restoration Authority (CPRA) can provide levee boards with information for evaluating efficiencies and effectiveness. We also examined the impact of the constitutional amendment, effective January 1, 2007, that consolidates several levee boards into the Southeast Louisiana Flood Protection Authorities - East and West Bank. Below is a summary of the results of our work.

Performance Audit Results

- **The CPRA has taken steps to resolve short-term issues regarding the January 1, 2007, transition to the new flood protection authorities.** The CPRA formed a transition team comprised of officials from the Attorney General's Office, the Louisiana Legislative Auditor's Office, Department of Transportation and Development (DOTD), the Division of Administration, and levee districts in the affected areas to assist all affected entities with the transition from the current individual levee boards into the new Southeast Louisiana Flood Protection Authorities (East and West Bank). *(See pages 9-12.)*
- **DOTD recently added positions dedicated to hurricane protection.** Levee districts rely on DOTD district offices, which are under the authority of the Office of Operations. Both levee districts and District Office staff rely on staff in DOTD's Office of Public Works, Hurricane Flood Protection, and Intermodal Transportation. *(See pages 13-15.)*
- **Most of the levee districts' contracts are for professional services. In addition, no single, central authority currently oversees the contracting practices of the levee districts in the Louisiana Coastal Zone.** Like all political subdivisions, levee districts are not required to follow Louisiana's Public Bid Law for contracting professional services. However, officials from most of the levee districts we examined said they follow the public bid law or some other type of competitive process as a control. The form and content of levee district contracts are inconsistent, and the lack of centralized review may be the reason. *(See pages 17-19.)*
- **Each levee district is responsible for inspecting its own levee system. Other various entities are responsible for inspecting levees as well.** A federal regulation requires levee districts to submit a semiannual report covering inspection, maintenance, and operations to the United States Army Corps of Engineers (Army Corps). Levee districts are also required to conduct periodic inspections at various times throughout the year. *(See pages 21-23.)*
- **Mowing is an important maintenance function of the levee districts we examined.** Other maintenance functions include weed-trimming, heavy equipment maintenance, trash pickup, filling holes, removing trees, and maintenance work on flood gates and pumping stations. Levee districts own different types of equipment (e.g., mowers, tractors, transportation vehicles, and dump trucks) for various aspects of operations. The cost of maintenance per mile of levee varies among the levee districts from \$7,114 to \$55,880. *(See pages 25-29.)*
- **Six of the 10 levee districts in the Louisiana Coastal Zone have their own police department.** Levee police functions include patrolling and inspecting the levee systems, pumping stations, floodgates, and drainage canals. The four levee districts in the coastal zone that do not have police departments rely on local law-enforcement entities for assistance. *(See pages 31-35.)*
- **Some levee districts have recreation projects, such as bicycle paths. In addition, some levee boards lease assets to generate revenue for their districts.** R.S. 38:325 authorizes levee boards to engage in various recreation activities, while R.S. 38:302 authorizes levee boards to execute commercial leases. *(See pages 37-41.)*
- **All of the levee districts we examined have unwritten agreements with various entities.** The levee districts work with various entities including DOTD, the Department of Natural Resources, Army Corps, parish governments, and other levee districts. *(See pages 43-44.)*

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Audit Initiation and Objectives

On September 30, 2006, Louisiana voters approved a constitutional amendment that creates two new levee districts (St. Tammany and Tangipahoa levee districts) and consolidates certain levee boards into two new oversight entities called the Southeast Louisiana Flood Protection Authorities - East and West Bank. To help ensure an efficient consolidation process, the Louisiana Coastal Protection and Restoration Authority (CPRA) requested that our office collect information from and analyze the affected levee districts.



Source: Louisiana State University Web site.

During our work with the CPRA, we identified critical issues that different entities needed to address before or on the effective date of the consolidation. The section of this report titled “Transition to the Southeast Louisiana Protection Authority - East and West Bank” answers the question, “What steps has the CPRA taken to resolve short-term issues regarding the transition to the new authorities?”

Audit Objectives: This performance audit focused on the functions of the levee districts in the Louisiana Coastal Zone, which are under the authority of the CPRA. We worked with CPRA and the Department of Transportation and Development (DOTD) to determine what levee district functions to examine and then focused on long-term issues related to these functions. The objectives of this audit are listed below, by function.

- Staffing
 - Is DOTD staffed sufficiently to fulfill its duties related to the levee districts?
- Levee Districts’ Contracts
 - What types of contracts do levee districts have?
 - Do levee districts follow Louisiana’s Public Bid Law for letting contracts?
 - Are contracting practices consistent among the levee districts in the Louisiana Coastal Zone?
 - Does one single entity review levee districts’ contracts?
- Levee Inspection
 - What entities are involved with inspection of the levees?
- Levee Maintenance
 - What are the maintenance functions of the levee districts we examined?
 - How much do the levee districts spend on maintenance?
 - How much do the levee districts spend on mowing?
 - What types of equipment do the levee districts own?
- Law-Enforcement Functions
 - How many levee districts in the Louisiana Coastal Zone have police departments?
 - What law enforcement functions do these police departments serve in the levee districts we examined?

LEVEE DISTRICTS

- How many police officers are in each levee district police department and how many miles of levees do they patrol?
- Why do some levee districts have police departments and others do not?
- Do levee districts have written agreements with law-enforcement agencies to provide police services?
- Can the new flood protection authorities employ new police officers and are they required to keep existing police officers?
- What gives the levee districts the authority to have police officers?
- Recreation Projects and Leased Assets
 - Which levee districts have recreation projects?
 - Why does Orleans Levee District have so many recreation projects?
 - Do leased assets generate revenue for the levee districts?
 - What are the requirements for the documentation of recreation projects and leased assets?
- Interagency Coordination
 - With what entities do the levee districts coordinate?
 - Do levee districts document agreements with other entities?

To accomplish our objectives, we examined eight of the 13 levee districts in the Louisiana Coastal Zone and, therefore, under the authority of the CPRA, on January 1, 2007, (when the constitutional amendment took effect). The eight levee districts we examined are:

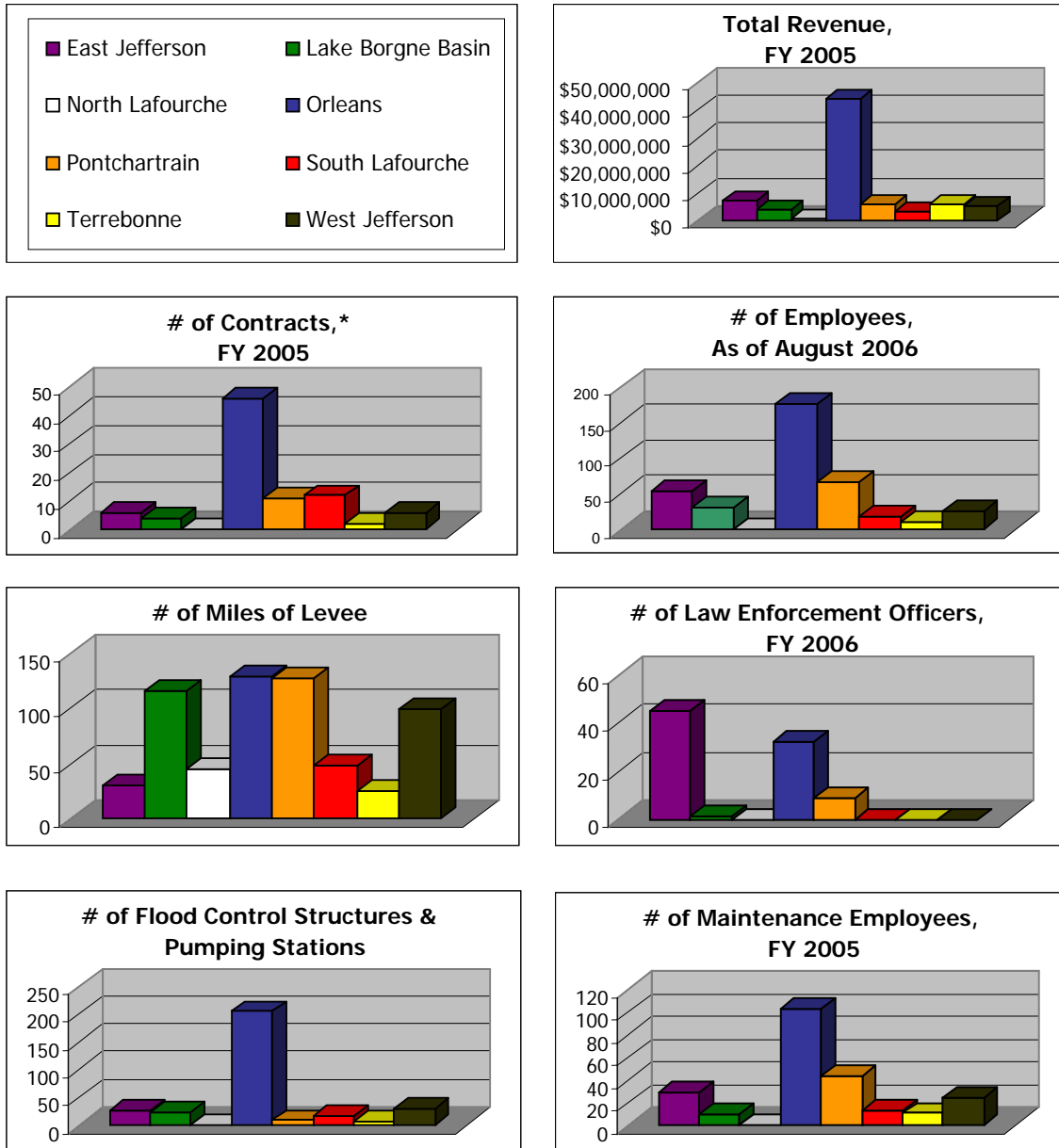
1. East Jefferson Levee District
2. Lake Borgne Basin Levee District
3. North Lafourche Conservation, Levee and Drainage District
4. Orleans Levee District
5. Pontchartrain Levee District
6. South Lafourche Levee District
7. Terrebonne Levee and Conservation District
8. West Jefferson Levee District

Exhibit 1 on page 7 provides a general overview of the levee districts we examined. Exhibit 2 on page 8 illustrates the organization of the levee districts the CPRA oversees, as of January 1, 2007. All eight of the districts we examined either have or are in the process of constructing hurricane protection levees except for one (North Lafourche Conservation, Levee and Drainage District).

East Jefferson, Lake Borgne Basin, Orleans, and West Jefferson levee boards are consolidated into the Southeast Louisiana Flood Protection Authorities - East and West Bank, effective January 1, 2007. Although the Pontchartrain Levee Board was not consolidated, portions of it fall under the authority of the Southeast Louisiana Flood Protection Authority - East (those portions of St. Charles and St. John the Baptist parishes that lie east of the Mississippi River and are located in the Louisiana Coastal Zone).¹

¹ According to Revised Statute (R.S.) 38:330.1(F)(4), the Authority members appointed as residents of St. Charles or St. John the Baptist parishes (from the east side of the Mississippi River) will only be voting members for projects that include that parish.

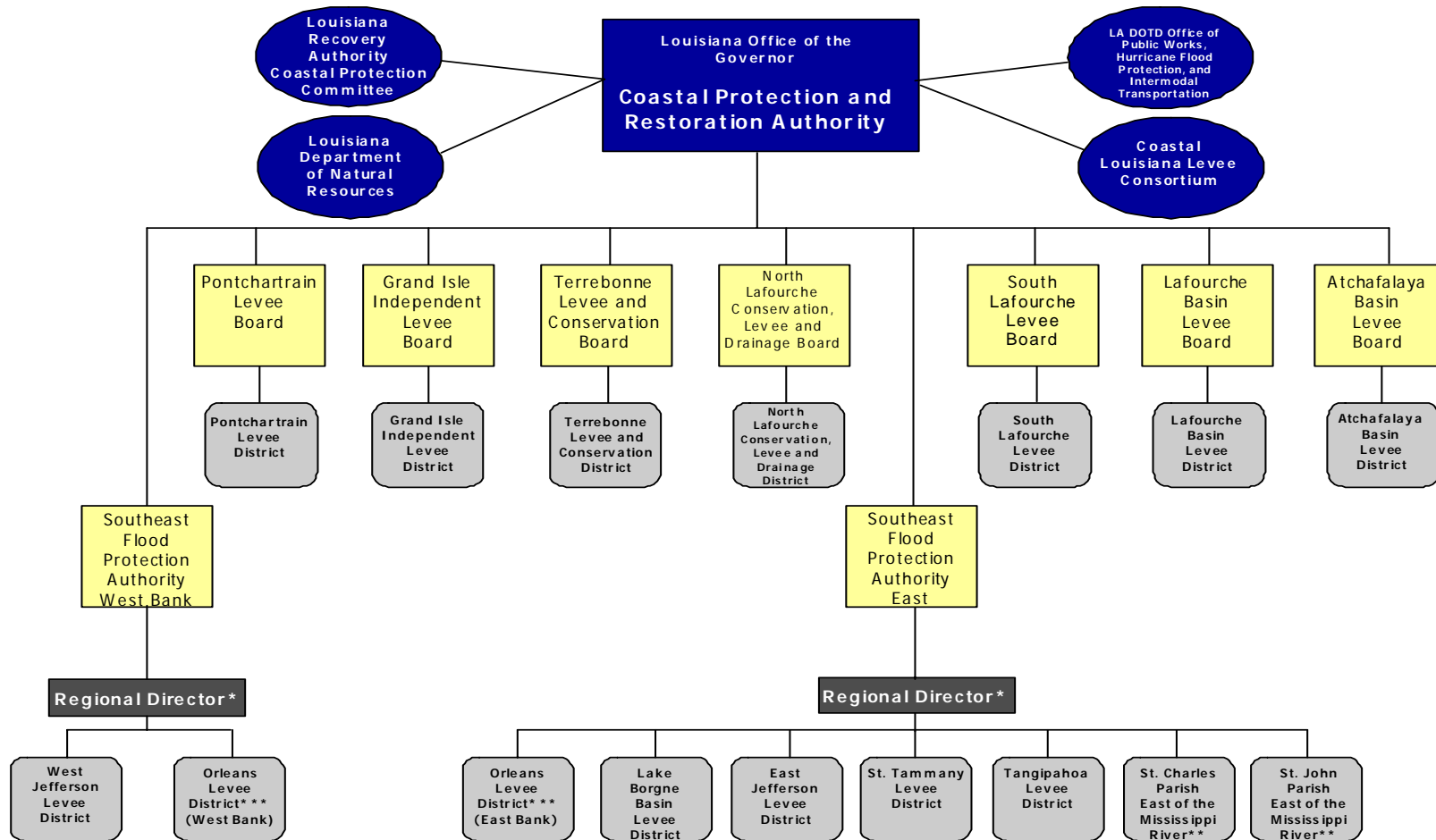
**Exhibit 1
Snapshot of Levee Districts**



*Does not include lease agreements.

Source: Prepared by legislative auditor's staff using information provided by the levee districts.

Exhibit 2
Organizational Structure of Levee Districts in the Louisiana Coastal Zone
January 1, 2007



*The Southeast Flood Protection Authority East and West Bank *may* employ regional directors in accordance with R.S. 330.4(A).

** Part of the Pontchartrain Levee District.

***R.S. 38:330.1 provides that the portion of the Orleans Levee District on the east side of the Mississippi River is in the Southeast Louisiana Flood Protection Authority—East and the portion of the Orleans Levee District on the west side of the Mississippi River is in the Southeast Louisiana Flood Protection Authority—West Bank.

Source: Prepared by legislative auditor’s staff using Louisiana Revised Statutes and information from DOTD, Department of Natural Resources, and Louisiana Recovery Authority.

TRANSITION TO THE SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - EAST AND WEST BANK

TRANSITION TO THE SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - EAST AND WEST BANK

Effective January 1, 2007, the number of levee districts in the Louisiana Coastal Zone increased from 10 to 13 (for a total of 22 in the state) with the addition of the St. Tammany Levee District, the Tangipahoa Levee District, and a portion of the North Lafourche Conservation, Levee and Drainage District. Also on that date, the number of levee boards under the authority of the CPRA decreased from 10 to nine (for a total of 18 in the state), including the Southeast Louisiana Flood Protection Authorities - East and West Bank. See Exhibit 3 on page 11 for a map of the levee districts as of January 1, 2007, and Exhibit 4 on page 12 for a map of the levee boards as of January 1, 2007.

What Steps Has the CPRA Taken to Resolve Short-term Issues Regarding the Transition to the New Authorities?

During the course of our work, we discussed critical issues with DOTD, Department of Natural Resources (DNR), the West Jefferson Levee District, and the CPRA. Levee districts in the affected area had short-term concerns, such as who will sign payroll checks for district staff if an authority has not been appointed by January 1, 2007. Upon this date, the levee districts' current board ceased to exist.

In response to these concerns, the CPRA formed a transition team to assist the levee districts and other affected entities, such as the Division of Administration (DOA), in the transition from the current individual levee boards into the new flood protection authorities. Transition team members include representatives from the Louisiana Legislative Auditor's (LLA) Office, DOTD, the Attorney General's Office, DOA, and levee districts in the New Orleans area. The transition team:

- (1) petitioned Governor Blanco to provide the levee districts with a directive on how to continue business until the authorities are established;
- (2) coordinated with LLA and the Orleans Levee District to determine how the district's funds will be broken up between the new authorities since Orleans is split between governing authorities after January 1, 2007;
- (3) developed bylaws for the authorities to consider adopting once fully established;
- (4) developed an agenda for the first meeting of the new authorities;



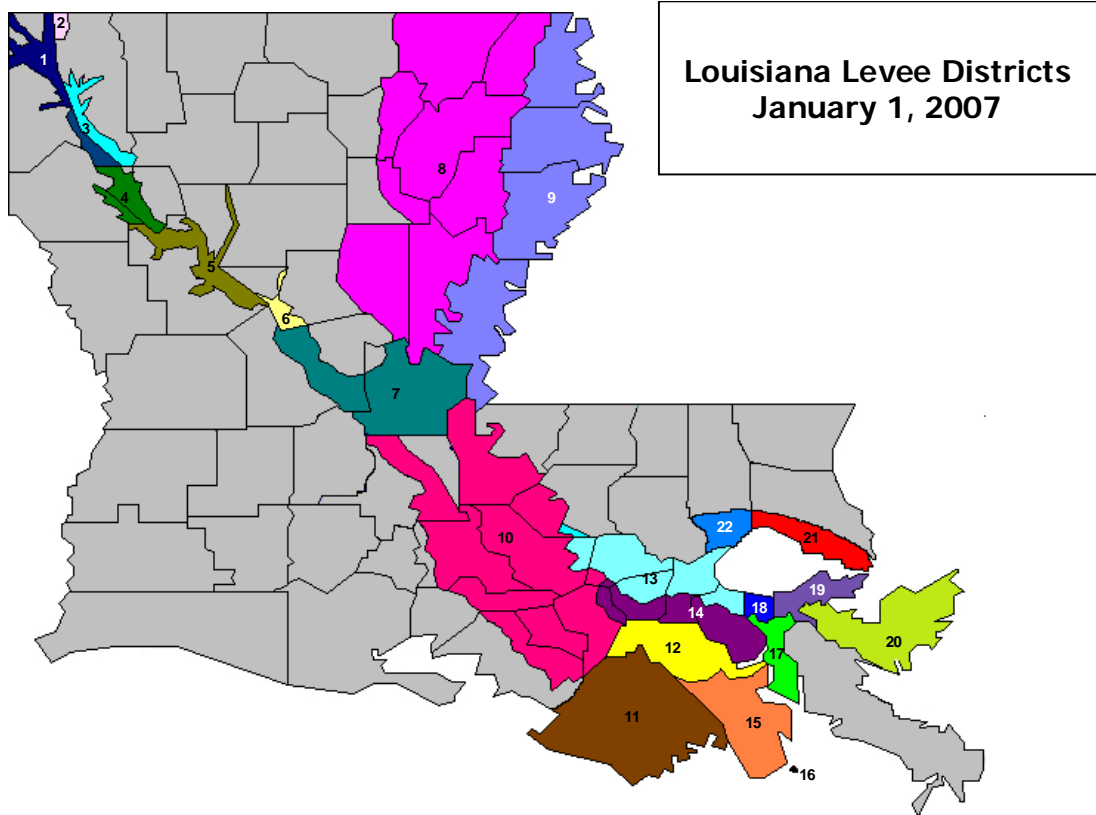
Source: Jefferson Parish Web site.

LEVEE DISTRICTS

- (5) worked with LLA and the levee districts to compile a list of levee district non-flood assets for DOA;
- (6) coordinated a litigation team to assess pending lawsuits against the levee districts and any other pending legal matters;
- (7) consulted with LLA to determine how financial statements will be reported by the new authorities on behalf of each levee district;
- (8) received information from LLA regarding how many levee district employees are civil service employees;
- (9) used information LLA staff compiled to create a list of active contracts as a basis for the authorities to understand current contracting procedures as well as active projects and pending expenditures;
- (10) worked to determine responsibilities of the new authorities; and
- (11) developed a reference manual to help the new authorities understand the levee districts as well as conduct business.

TRANSITION TO THE SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - EAST AND WEST BANK

Exhibit 3

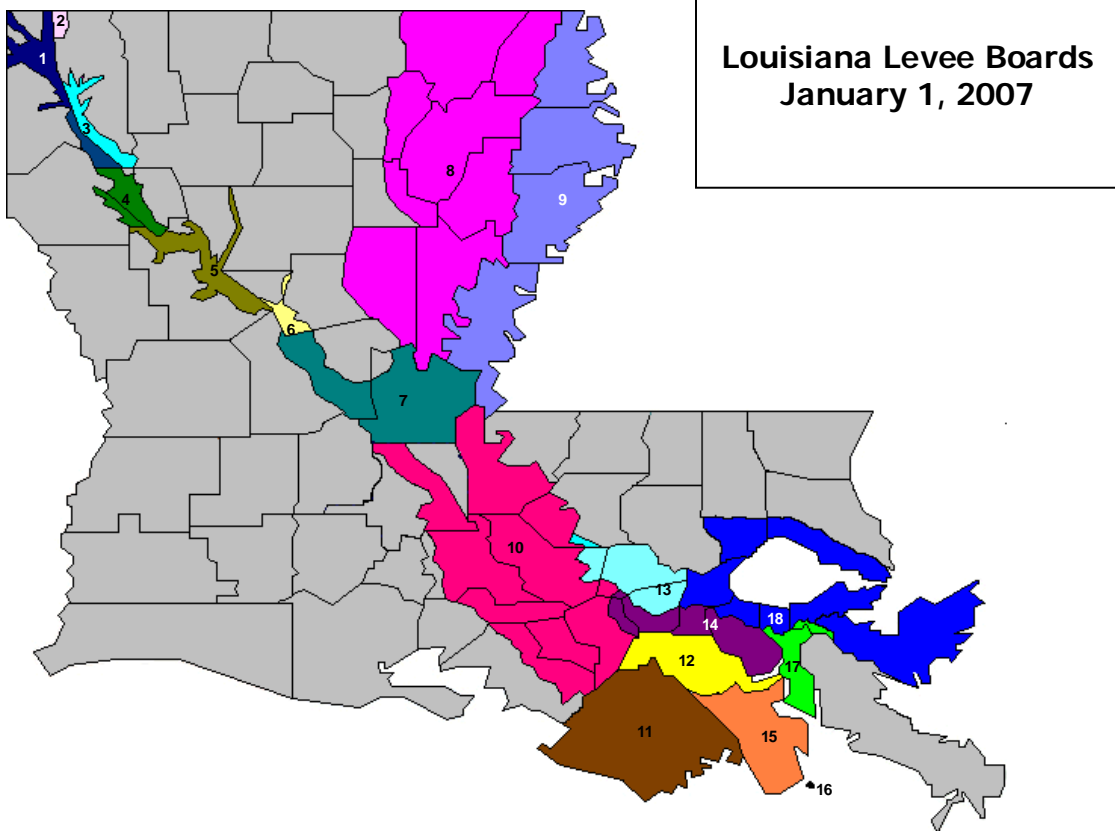


- | | |
|---------------------------------------------------------------|--------------------------------------------------------------------|
| 1 Caddo Levee District | 12 North Lafourche Conservation, Levee & Drainage District* |
| 2 North Bossier Levee District | 13 Pontchartrain Levee District* |
| 3 Bossier Levee District | 14 Lafourche Basin Levee District* |
| 4 Red River Levee & Drainage District | 15 South Lafourche Levee District* |
| 5 Natchitoches Levee & Drainage District | 16 Grand Isle Independent Levee District* |
| 6 Nineteenth Louisiana Levee District | 17 West Jefferson Levee District* |
| 7 Red River, Atchafalaya, & Bayou Boeuf Levee District | 18 East Jefferson Levee District* |
| 8 Tensas Basin Levee District | 19 Orleans Levee District* |
| 9 Fifth Louisiana Levee District | 20 Lake Borgne Basin Levee District* |
| 10 Atchafalaya Basin Levee District* | 21 St. Tammany Levee District* |
| 11 Terrebonne Levee & Conservation District* | 22 Tangipahoa Levee District* |

*Denotes the levee district is located in the Louisiana Coastal Zone.

Source: Prepared by legislative auditor’s staff using information obtained from R.S. 38:291 and 38:330.1, DOTD, and U.S. Army Corps of Engineers (Army Corps).

Exhibit 4



- | | |
|------------------------------------------------------------|----------------------------------------------------------------|
| 1 Caddo Levee Board | 10 Atchafalaya Basin Levee Board |
| 2 North Bossier Levee Board | 11 Terrebonne Levee & Conservation Board |
| 3 Bossier Levee Board | 12 North Lafourche Conservation, Levee & Drainage Board |
| 4 Red River Levee & Drainage Board | 13 Pontchartrain Levee Board |
| 5 Natchitoches Levee & Drainage Board | 14 Lafourche Basin Levee Board |
| 6 Nineteenth Louisiana Levee Board | 15 South Lafourche Levee Board |
| 7 Red River, Atchafalaya, & Bayou Boeuf Levee Board | 16 Grand Isle Independent Levee Board |
| 8 Tensas Basin Levee Board | 17 SLFPA—West Bank |
| 9 Fifth Louisiana Levee Board | 18 SLFPA—East |

Source: Prepared by legislative auditor’s staff using information obtained from R.S. 38:291 and 38:330.1, DOTD, and Army Corps.

STAFFING

In response to the impact of Hurricane Katrina on the levee systems in the state, the Louisiana Legislature added responsibilities related to levee work to DOTD. Act 6 of the 2006 First Extraordinary Session of the Louisiana Legislature modified and expanded the hurricane flood protection role of DOTD's Office of Public Works, Hurricane Flood Protection, and Intermodal Transportation (Office of Public Works). Both levee district officials and DOTD District Office staff frequently rely on the Assistant Secretary of the Office of Public Works for guidance and assistance.

In accordance with R.S. 38:90.4, DOTD must review engineering and construction plans to the levee systems if the district applies for funding through the Statewide Flood Control Program. R.S. 38:245 requires the Office of Public Works to compile a list of projects for inclusion in the state's Hurricane Flood Protection, Construction, and Development Priority Program. In addition, DOTD must provide administrative oversight of all matters relating to engineering, design, construction, extension, improvement, repair, and regulation of hurricane protection system levees [R.S. 38:247 (A)]. The Assistant Secretary of the Office of Public Works is obligated by statute to serve on various boards around the state, enforce regulations regarding state public works and water resources, and manage self-generated revenue.

Is DOTD Staffed Sufficiently to Fulfill Its Duties Related to the Levee Districts?

When we began work on our performance audit, we concluded, based upon the numerous levee responsibilities of DOTD, that neither DOTD Headquarters nor DOTD's district offices were sufficiently staffed to fulfill their duties related to levee districts. DOTD has worked to resolve this issue by adding 19 new positions to its Office of Public Works and developed divisions specifically responsible for levee work (Exhibit 5 on page 14 shows the new organizational structure of the Office of Public Works). According to a DOTD official, staff in the new positions at DOTD Headquarters will alleviate some of the responsibilities related to levee work at the department's district offices that are located throughout the state.



Source: Legislative auditor's staff.

DOTD District Offices. Officials from six of the eight levee districts we examined said they rely on a DOTD district office for guidance and assistance.² We found that at least one of the DOTD district offices (District 2) assists several levee districts on an almost daily basis and another (District 3) assists levee districts two to three times a week. A District 2 official reported that approximately one-third of the office's duties involve levees. A District 3 official

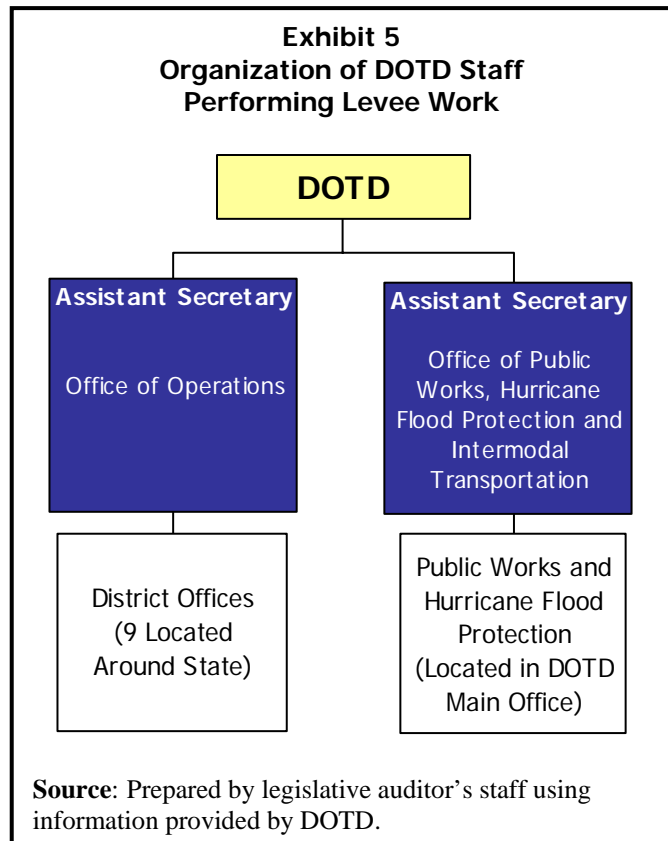
² The Orleans Levee District has an Engineering Department of three registered engineers that provides many of the same services for that district that DOTD provides for other districts. The Orleans Levee District also has a Survey/Emergency Operations Center Department that conducts surveying, helps coordinate floodgate closures, and monitors floodgates and tidal conditions.

LEVEE DISTRICTS

reported that levee work comprises approximately 10% of its duties. The DOTD district offices' other major responsibility is maintaining federal and state highways.

According to a District 2 official, his office has three engineers assigned to work with the levee districts. This district office indicated it is having trouble keeping up with highway work because of the levee work it is doing. In addition, according to an Orleans Levee District Board member, DOTD engineers tend to be more "highway-oriented" and not as familiar with levees. Based on the amount of levee work the district performs, the District 2 office may not have sufficient staff to work with the levee districts. According to a DOTD official, DOTD Headquarters is currently evaluating how it can modify staffing at the district offices to help ensure that the offices can efficiently and effectively maintain the highway systems as well as provide the assistance the levee districts need.

Exhibit 5 shows that district staff who work with levees report to the Assistant Secretary of the Office of Operations while the DOTD Headquarters staff who work with levees report to the Assistant Secretary of the Office of Public Works. However, the District Office staff help the Office of Public Works with its Port Priority Program, Flood Control Program, and miscellaneous local levee work because they are located throughout the state (Exhibit 6 shows the locations of the nine DOTD district offices).



Recommendations Related to Staffing

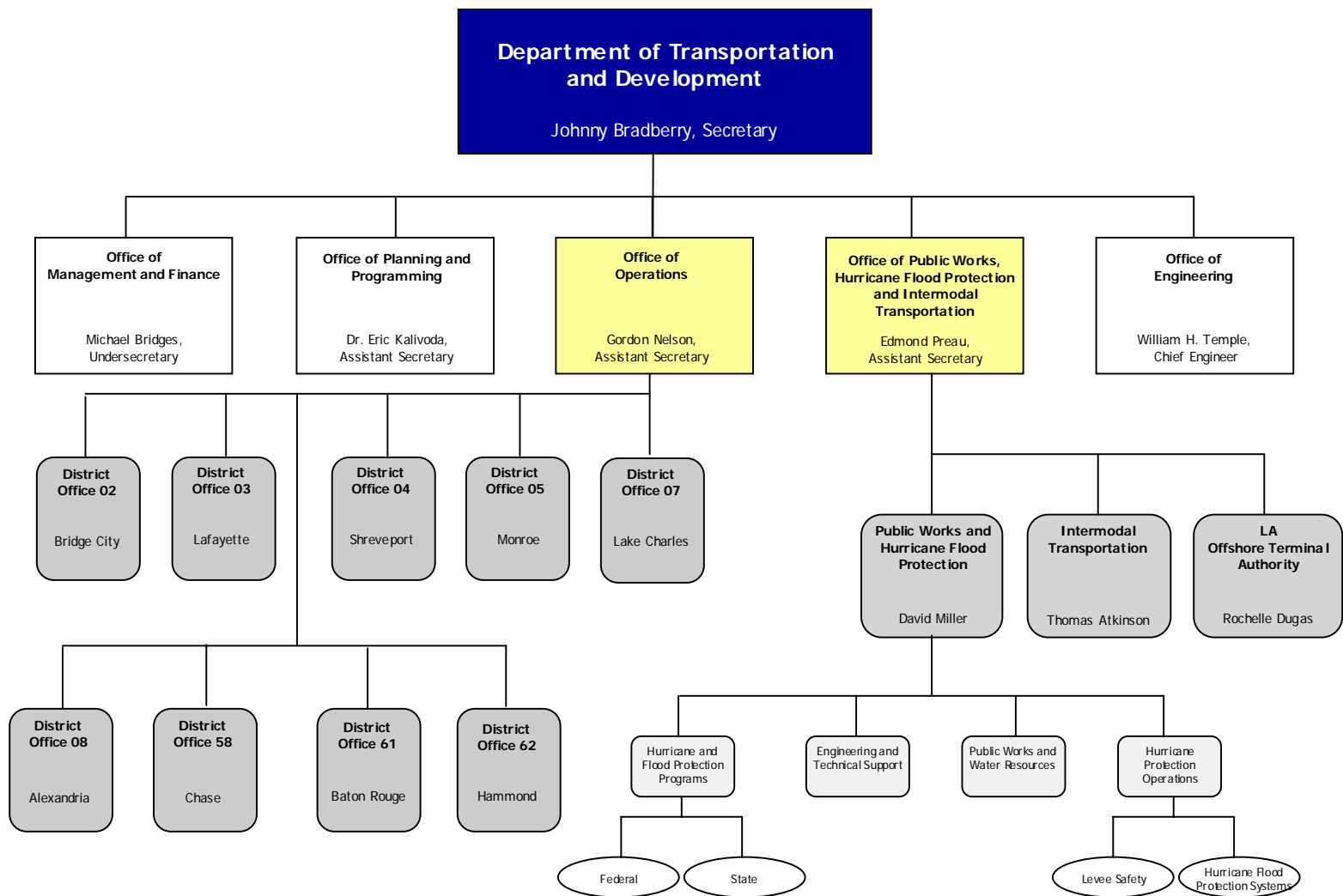
Recommendation 1: DOTD should continue to evaluate whether some of the functions performed by District Office staff can be performed by the new hurricane flood protection staff at the DOTD Headquarters. It should also continue to implement staffing and/or organizational changes in the Office of Public Works as appropriate.

Management's Response: DOTD agrees with this recommendation.

Recommendation 2: If DOTD District Office staff continue to perform levee functions, DOTD should determine whether the district staff should have a more direct and clear reporting relationship with the DOTD Headquarters.

Management's Response: DOTD agrees with this recommendation.

**Exhibit 6
DOTD's Updated Organizational Structure**



Source: Prepared by legislative auditor's staff using information from DOTD.

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LEVEE DISTRICTS' CONTRACTS

In early 2006, the CPRA set up a contract review committee in response to a December 10, 2005, memo from Governor Kathleen Blanco. The memo charged the CPRA to approve all significant flood control contracts with levee districts, as well as all non-flood control contracts, using the state's contractual review process. See Appendix B for the full text of the governor's memo to the CPRA. The CPRA requested copies of all current contracts from each of the levee districts it oversees. This section of the report contains answers to the questions the CPRA had regarding the contracts.



Source: Army Corps Web site.

What Types Of Contracts Do Levee Districts Have?

We examined contracts from fiscal years 2004 and 2005 and determined the contract type, implementation date, and award amount. Contracts levee districts submitted included:

- Cooperative endeavor and interagency agreements
- Service agreements
- Professional services contracts
- Leases for various assets
- Right-of-way agreements

Of the contracts we reviewed, there was none for materials and supplies. The majority (73.81%) of the 126 contracts we reviewed were for professional services, such as engineering.³ See Appendix C for a summary of contracts we reviewed for each of the levee districts.

Do Levee Districts Follow A Competitive Process for Letting Contracts?

According to R.S. 38:321, all boards of commissioners of levee districts must follow the Louisiana Public Bid Law for letting contracts. However, political subdivisions, such as levee boards, do not have to follow the bid law for insurance, professional, or any other service agreements. Officials from each of the levee districts we examined reported that they follow the bid law or some other type of competitive process for all contracts, even those not required by law. We were unable, because of a lack of information and time constraints, to verify whether the levee districts actually follow the bid law.

³ We did not include levee districts' leases in our analysis of contracts because the Orleans Levee District has over 1,000 per year and that would have skewed our analysis (i.e., it would appear that most contracts let by all levee districts are leases, when that is only the case for Orleans). We included leases in the "Recreation Projects and Leased Assets" section of this report because the assets associated with most of those leases generate revenue.

Are Contracting Practices Consistent Among the Levee Districts in the Louisiana Coastal Zone?

We found the form and content of contracts vary among districts. Some of the contracts we reviewed lacked clear termination dates and not-to-exceed clauses while others included these important items. The contracts also contained varying detail in their scope of work, and several of the levee districts used multiple types of contracts for the same types of services.

Best Practice Information. We identified several sources of best practices for contracting. According to the National Association of State Procurement Officials (NASPO), contract inconsistencies can lead to poor procurement. Also, the National State Auditor's Association (NSAA) issued a best practices guide for contracting services in 2003. This report suggests that the lack of proper awarding practices provides little assurance an agency is selecting the most qualified vendor at the best price. Furthermore, contracting decisions may not be defensible if challenged. The Louisiana Office of Contractual Review (OCR) provides sample contracts containing information such as the scope of service, payment terms, term of contract, and termination for cause/convenience on its Web site.⁴

Does One Single Entity Review Levee Districts' Contracts?

No single, central authority currently reviews all contracts of the levee districts in the Louisiana Coastal Zone. R.S. 38:306(A) provides the board of commissioners for each levee district the authority to execute contracts to perform any and all acts necessary to ensure adequate drainage control and protection of the lands in the districts from damage by flood.

The lack of a centralized review of all contracts may be the reason the form and content of levee district contracts are inconsistent. Frequent changes in levee board members could also cause inconsistent contracting practices among the levee districts. The governor is responsible for appointing board members. In addition, the current board structure for those levee districts falling under the jurisdiction of the newly created flood protection authorities will change on January 1, 2007.

⁴ If levee boards use OCR's contract templates, they will require some revision as they are designed for use primarily by state agencies.

Recommendations Related to Levee Districts' Contracts

Recommendation 3: The CPRA should consider providing the levee boards (including the new Southeast Louisiana Flood Protection Authorities) in the Louisiana Coastal Zone with guidance and, perhaps a checklist, for writing contracts to ensure consistency regarding the form and content of contracts among districts. This guidance could be based on the best practice research we performed or the OCR's contract templates.

Management's Response: The CPRA agrees with this recommendation.

Recommendation 4: The CPRA should consider reviewing (by attorney or other staff) contracts for all of the levee districts in the Louisiana Coastal Zone. Based on its review, the CPRA can identify efficiencies in contracting practices and share them among the levee boards over which it has authority. Sharing these efficiencies will help develop consistent, accurate, and efficient contracting practices.

Management's Response: The CPRA agrees with this recommendation.

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LEVEE INSPECTION

In addition to contracting issues, Governor Blanco's December 10, 2005, memo to the CPRA charged the authority with creating a state levee inspection program and establishing minimum operations and maintenance standards for all levee districts. The memo also urged the CPRA to require the levee boards to submit detailed reports regarding improvements for the 2006 hurricane season. Finally, the memo suggested that the CPRA develop an agreement with the Army Corps that recognizes the CPRA as the lead state entity for hurricane protection and coastal restoration (see Appendix B).

What Entities Are Involved With Inspection of the Levees?

Exhibit 7 on the following page illustrates the entities involved with levee inspection and their related legal responsibilities. During the course of our work, we found that levee districts and their boards are subject to various requirements for levee inspections and that they must provide reports to numerous entities. For example, the Code of Federal Regulations (CFR) 33:208.10 requires levee districts to submit a semiannual report covering inspection, maintenance, and operation of protective works to the Army Corps. It also requires levee districts to conduct periodic inspections at various times throughout the year. Each levee district is responsible for the inspection of its own levee system. In addition, R.S. 49:213.12 requires the CPRA to develop and implement a hurricane protection inspection program.

Upon completion of a levee construction project, the Army Corps is required to provide the local sponsor (i.e., levee district) of the levee with an inspection manual. At least two levee districts have not received their manuals for completed projects.

Consistent Inspection Process. The levee districts need consistent information for levee inspections. At the beginning of our audit, officials from each of the levee districts we examined reported different information regarding inspection responsibilities. In addition, at least three levee board commissioners said they received little or no guidance regarding levee inspection when they were first appointed to their boards. One commissioner suggested that the CPRA should enforce uniformity in the levee-inspection process.

To help educate levee district staff and their boards, the CPRA commissioned DOTD to develop and issue a levee inspection manual that outlines the minimum levee inspection requirements. DOTD's Office of Public Works recently provided a *Hurricane Flood Protection Inspection and Evaluation Program* guide to the levee districts in the Louisiana Coastal Zone. One levee board commissioner suggested that in addition to the manual, the CPRA could demonstrate to levee district officials how to inspect the levees to standardize the inspection process. According to officials from the Office of Public Works, DOTD has begun an inspection training program for levee district and board officials.

Exhibit 7 Legal Responsibilities for Levee Inspections					
Entity	Responsibility				
	Conduct Inspections	Supervise Inspections	Submit Inspection Reports	Review Inspection Reports	Other
Army Corps	Annually	Oversee local sponsors' activities annually; manage inspections related to disaster preparedness	N/A	Review local sponsors' semiannual compliance reports	Furnish local sponsor with Operation and Maintenance Manual
CPRA	Every five years or after a hurricane	Establish inspection program	Report defects to local sponsor within 30 days of inspection	N/A	N/A
DOTD -- Office of Public Works	Responsible for all inspections; may conduct inspection at any time; participate in annual Army Corps inspections	Maintain report(s) of inspections	N/A	N/A	Provide Operation and Maintenance Manual to local sponsors; conduct training for levee boards
DOTD -- District Offices	Annual Army Corps inspections	N/A	N/A	N/A	N/A
Levee Districts	Every 90 days and in other certain circumstances; participate in annual Army Corps inspections	N/A	Semiannually to Army Corps; Levee elevation report to CPRA and DOTD every 3 years	N/A	Appoint committee, headed by superintendent, that is responsible for flood control projects

Source: Prepared by legislative auditor's staff using information from Louisiana Revised Statutes and the Code of Federal Regulations.

Recommendations Related to Levee Inspection

Recommendation 5: Because there are so many state and federal requirements for levee inspections, as well as multiple manuals and guidelines, the CPRA should consider coordinating a training session for levee districts on inspection procedures so that levee districts understand what is required of them. Such coordination would help ensure that all entities responsible for levee inspection, maintenance, and care perform their duties accurately and consistently.

Management's Response: The CPRA agrees with this recommendation. DOTD is presently working with the Army Corps and local levee districts to coordinate inspection procedures and provide necessary training. DOTD, in cooperation with the Louisiana Transportation Research Center, has developed a training program for levee inspectors. The CPRA certainly agrees that it should coordinate this activity and will likely continue to delegate this task to DOTD.

Recommendation 6: The CPRA should advise levee district officials to request an inspection manual from the Army Corps if they have not received it for completed projects. Guidance from the required manual should help ensure proper care of the levees.

Management's Response: The CPRA agrees with this recommendation. DOTD has requested the Army Corps Operation and Maintenance and Inspection manuals for each Army Corps project. This is an ongoing requirement for each project.

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LEVEE MAINTENANCE

What Are the Maintenance Functions of the Levee Districts We Examined?

Levee districts and boards are required by both federal and state law to maintain levee structures. Some examples of these legal requirements are:

- Routine mowing of grass and weeds
- Removing wild growth and drift deposits
- Planting willows or other suitable growth near the levees to slow bank erosion

The eight levee districts we examined perform a variety of maintenance functions. See Exhibit 8 for a summary of the maintenance functions for each of the eight levee districts. One of the primary maintenance functions is mowing. Several levee districts reported that their maintenance crews do not mow in the winter but perform other maintenance activities including:

- Maintenance of fence lines (i.e., weed trimming), flood gates, and pumping stations
- Heavy equipment repairs
- Trash pickup
- Attending training courses
- Heavy maintenance work such as filling holes, removing trees, and skimming drainage canals

Exhibit 8 Levee District Maintenance Functions								
	Mowing	Inspections	Repairing Levees	Clearing Drainage Canals	Trash/Debris Removal	Equipment Repair	Herbicide Treatment	Sand-bagging
East Jefferson	✓	✓	✓	*	✓	✓	✓	✓
Lake Borgne Basin	✓	✓	✓	✓	*	✓	✓	*
North Lafourche ¹	X	✓	*	*	*	X	*	*
Orleans	✓	✓	✓	*	✓	✓	✓	✓
Pontchartrain	✓	✓	✓	✓	✓	✓	✓	✓
South Lafourche	✓	✓	*	✓	*	✓	✓	*
Terrebonne ²	✓	✓	✓	✓	*	*	*	*
West Jefferson ³	✓	✓	✓	*	*	X	*	*

* Some levee district officials did not specify whether their maintenance department performed all of the maintenance functions we examined.

¹ The Lafourche Parish Council maintains North Lafourche Levee District's levees and equipment and the North Lafourche Levee District contracts engineers to survey the levees, as necessary.

² The Terrebonne Levee District currently assists the Terrebonne Parish Consolidated Government in maintaining the drainage levees.

³ The West Jefferson Levee District contracts out its equipment maintenance.

Source: Prepared by legislative auditor's staff using information provided by the levee districts.

How Much Do the Levee Districts Spend on Maintenance?

As shown in Exhibit 9, total maintenance costs in fiscal year 2005 differ among the eight levee districts we examined, ranging from \$341,484 to \$6.9 million. The cost of maintenance per mile of levee also varies from \$7,114 to \$55,880. These variances illustrate the differences of the maintenance functions among the levee districts as well as the difficulty of making direct comparisons.



Source: Legislative auditor's staff.

The number of maintenance employees varies among the districts. Orleans Levee District, for example, has 103 maintenance employees, while the Lake Borgne Basin Levee District only has 10 maintenance employees. The North Lafourche Conservation, Levee and Drainage District does not have any maintenance employees because Lafourche Parish performs all of the district's maintenance functions.

How Much Do the Levee Districts Spend on Mowing?

Levee district officials reported that one of their primary maintenance functions is mowing. While some districts have maintenance staff dedicated to mowing, the Lake Borgne Basin, West Jefferson, and South Lafourche levee districts do not. Instead, all maintenance staff members participate in mowing in addition to their other duties.

We were unable to calculate for every levee district the costs of mowing because some districts do not separately account for mowing costs (e.g., salaries and other employee-related costs, such as workers' compensation, hospitalization, retirement, and uniforms of maintenance staff dedicated to mowing; costs of mowing equipment repairs; and costs of fuel to operate mowing equipment). As a result, we were only able to obtain full information for the East Jefferson, Lake Borgne Basin, Orleans, and Pontchartrain levee districts.

The cost of mowing for the four levee districts for which we had complete information ranges from \$556,327 to \$2.4 million in fiscal year 2005. Lake Borgne Basin Levee District spends the least per levee mile on mowing at a cost of \$4,796, while the East Jefferson Levee District spends the most per levee mile at a cost of \$31,397.

The cost of mowing differs among the levee districts for several reasons. East Jefferson Levee District, for example, spends more time and money on mowing. Its levees are adjacent to residential property, and property owners request that the district mow the levees more frequently and cut the grass shorter than levees in other districts. Orleans Levee District officials also reported that their maintenance department must mow recreational areas, which have picnic

tables and trees and are more labor-intensive to maintain. Its maintenance department must also mow the grass of the green spaces in some subdivisions adjacent to the levee system.

Mowing costs also differ based on the types of mowers the districts use. The East Jefferson Levee District uses a more expensive mower to get a closer, more even cut for residential properties. Officials from several levee districts including Lake Borgne, North Lafourche, and South Lafourche levee districts reported using a type of mower that is less expensive and easier to maintain.

Maintenance Efficiency. We found several levee districts have implemented practices that improve maintenance efficiency. According to Orleans Levee District officials, a dedicated mowing staff serves as a “first defense” in inspecting the levees, as these workers are able to assess changes in the specific areas of the levee system in which they mow.

Some districts use enclosed, air-conditioned tractors, which are more efficient since workers do not have to take frequent breaks and are able to work outside for longer hours during warmer conditions. For example, West Jefferson Levee District officials reported that workers took 11 days using 12 open-air tractors to mow all the grass on the levees. Workers now take 4½ days using four air-conditioned tractors to complete mowing of the same area.

According to Pontchartrain Levee District officials, a fuel truck follows the mowing crews so that the operators do not have to return during the day to the maintenance shop for fuel. Otherwise, the maintenance crews would have to stop for gas or return to the office to refuel.

Exhibit 9					
Costs of Levee District Maintenance					
Fiscal Year 2005					
Levee District	Number of Levee Miles ¹	Total Number of Maintenance Employees	Total Maintenance Costs	Total Maintenance Costs Per Levee Mile	Total # of Maintenance Employees Specifically Dedicated to Mowing
Levee Districts With Less Than 100 Miles of Levee					
Terrebonne	25	11	\$1,396,997	\$55,880	1
East Jefferson	30	30	\$1,631,765	\$54,392	19
North Lafourche ²	45	0	---	---	0
South Lafourche	48	13	\$341,484	\$7,114	0
Average			\$1,123,415	\$39,129	5
Levee Districts With More Than 100 Miles of Levee					
West Jefferson	100	25	\$1,498,100	\$14,981	0
Lake Borgne Basin	116	10	\$2,170,653 ³	\$18,713	0
Orleans	128.7	103	\$6,900,184	\$53,614	52
Pontchartrain	128	44	\$2,690,072	\$21,016	26
Average			\$3,314,752	\$27,081	20
¹ Includes miles of levee and drainage canals. ² We did not receive a response from the North Lafourche Levee District. ³ This figure includes maintenance costs for pump stations. The Lake Borgne Basin Levee District spent \$559,566 specifically for levees and canals in fiscal year 2005.					
Source: Prepared by legislative auditor’s staff using information provided by the levee districts.					

What Types of Equipment Do the Levee Districts Own?

Exhibit 10 shows that levee districts own several different types of equipment for maintaining the levee systems, including:

- (1) mowing equipment, such as tractors and mowers, for maintaining the levees and drainage canals;
- (2) heavy equipment for constructing and repairing the levees;
- (3) transportation vehicles for law-enforcement services and levee maintenance; and
- (4) other types of equipment, such as boats, air compressors, trailers, and generators for other maintenance functions.

The inventory of maintenance equipment varies among the eight levee districts we examined, ranging from approximately \$300,000 to \$7.7 million. The average age of the equipment also differs from four years to 11.

Exhibit 10 Levee District Maintenance Equipment As of November 15, 2006							
	Miles of Levee	Mowing Equipment ¹	Heavy Equipment ²	Transportation Vehicles ³	Other ⁴	Average Age of Equipment (in years)	Total Costs of Equipment ⁵
Terrebonne	25	5	11	9	52	9.6	\$2,035,305
East Jefferson	30	43	14	14	18	7.7	\$1,645,596
North Lafourche	45	1 ⁶	1	0	0	5.0	\$304,925
South Lafourche	48	11	6	10	23	9.8	\$571,846
West Jefferson	100	32	13	11	46	N/A	\$1,634,040
Lake Borgne Basin	116	27	14	13	13	10.5	\$1,375,234
Orleans	128.7	63	42	213	8	8.2	\$7,654,217
Pontchartrain	128	43	9	34	2	4.3	\$2,407,546
N/A = Not applicable ¹ Includes tractors, mowers, and riding lawn mowers. ² Includes bulldozers, backhoes, dump trucks, excavators, and graders. ³ Includes pick-up trucks, stake-body trucks, cars, sport-utility vehicles. Some of these are used by the districts' respective police departments. ⁴ Includes boats, air compressors, trailers, motors, weed-eaters, and generators. ⁵ This figure does not account for depreciation. ⁶ The Lafourche Parish Council uses North Lafourche Levee District's Bush Hog mower.							
Source: Prepared by legislative auditor's staff using information provided by the levee districts.							

Equipment Efficiency. Several levee districts identified efficiencies for maintaining and repairing equipment. The South Lafourche, East Jefferson, Orleans, Pontchartrain, and Lake Borgne Basin levee districts use maintenance employees to perform some in-house equipment repairs, decreasing contract-repair costs.

According to West Jefferson Levee District officials, the district has increased economic efficiency by purchasing new tractors every six years. This practice saves money on maintenance because the district is able to resell the tractors at auction for a higher price than the trade-in value. In addition, it saves money on equipment-repair costs, as newer equipment does not require repairs as frequently. The Orleans and Pontchartrain levee districts also reported selling old or unneeded equipment at auctions.

The Pontchartrain Levee District reported that it saved money since it implemented an inventory system. Its maintenance department keeps a detailed inventory of its supplies and equipment. One employee is responsible for maintaining a log of the inventory and only two employees have access to the inventory room. Before this system, the maintenance department often duplicated purchases for supplies and equipment.

Recommendations Related to Levee Maintenance

Recommendation 7: The CPRA should consider using the information we provided, including the efficient maintenance and equipment practices levee districts reported, to evaluate the maintenance practices and equipment expenditures of the levee districts it oversees. The CPRA could provide this information to the levee boards (including the new Southeast Louisiana Flood Protection Authorities) so they can determine if the levee districts should continue or modify their current maintenance practices.

Management's Response: The CPRA agrees with this recommendation.

Recommendation 8: The CPRA should consider evaluating the maintenance practices and staffing of the North Lafourche Conservation, Levee and Drainage District. Lafourche Parish currently maintains the 45 miles of levee under the jurisdiction of North Lafourche; however, according to a levee district official, the size of the district significantly increased (by approximately 125 miles) when Act 32 of the 2006 First Extraordinary Session took effect on January 1, 2007.

Management's Response: The CPRA only partially agrees with this recommendation. While this is a good recommendation, there is some question whether or not the maintenance practices and staffing are the responsibility of the Levee Board and must be consistent with its financial ability.

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LAW-ENFORCEMENT FUNCTIONS

How Many Levee Districts in the Louisiana Coastal Zone Have Police Departments?

Six levee districts in the Louisiana Coastal Zone have their own police department:

1. East Jefferson Levee District
2. Lake Borgne Basin Levee District
3. Orleans Levee District
4. Pontchartrain Levee District
5. Atchafalaya Basin Levee District
6. Lafourche Basin Levee District



Source: East Jefferson Levee District Web site.

The only levee district outside of the coastal zone that has a police department is the Tensas Basin Levee District. We reviewed the law-enforcement functions of East Jefferson, Lake Borgne Basin, Orleans, and Pontchartrain levee districts.

What Law-Enforcement Functions Do These Police Departments Serve?

In the levee districts we examined, officials reported that levee police serve a variety of law-enforcement functions. As shown in Exhibit 11, functions include patrolling and visually inspecting the levee systems, pumping stations, flood gates, and drainage canals. Levee police write tickets and check on encroachments of the levee district rights-of-way.

Exhibit 11 Levee District Police Department Functions ¹							
Levee District	Patrolling	Inspections ²	Writing Tickets	Making Arrests	Guarding ³	Checking Right-of-Way Encroachments	Other ⁴
East Jefferson	✓	✓	✓	✓	✓	✓	✓
Lake Borgne Basin	✓	*	✓	X	*	✓	✓
Orleans	✓	*	✓	✓	✓	*	✓
Pontchartrain	✓	✓	✓	*	*	✓	*

* Some levee district officials did not specify whether their police department performed all of the functions we examined.

¹ Atchafalaya Basin and Lafourche Basin levee districts were not in our audit scope.

² Visual inspections of the levee systems.

³ Includes guarding the levees, marinas, flood gates, pump stations, and/or drainage canals.

⁴ Includes closing flood gates during emergencies; making purchases; picking up parts; delivering supplies to, and picking up daily reports from, pump stations; and running a crew of prison inmates to help with weed-trimming and picking up trash and debris.

Source: Prepared by legislative auditor’s staff using information provided by the levee districts.

How Many Police Officers Are in Each Levee District Police Department and How Many Miles of Levees Do They Patrol?

The size of the levee police forces we examined varies from one police officer to as many as 45. For the eight levee districts we examined, we found that, on average, those with a police department are responsible for maintaining and protecting more miles of levee and more flood-control structures (e.g., flood gates, flood walls, and barges) than those without one. See Exhibit 12 for a summary of levee district law-enforcement functions and the associated costs.

As shown in Exhibit 12, the East Jefferson Levee District employs 25 police officers. In addition, it employs 20 auxiliary officers who are P.O.S.T. (Peace Officer Standards and Training) certified, at little or no additional cost to the district. The incentive for these auxiliary officers to volunteer their time is to maintain their certification and ability to be hired “off-duty” as detail officers by other businesses or entities.

Exhibit 12 Levee District Law-Enforcement Functions, FY 2006*								
Levee District	Number of Police Officers	Miles of Levee ¹	Number of Pumping Stations	Number of Flood-control Structures ²	Police Officers Per Levee Mile	Police Officers Per Pump Station	Police Officers Per Flood-control Structure	Estimated Annual Cost of Levee Police
With a Police Department								
East Jefferson	45 ³	30	0	26	1.5	N/A	1.73	\$1,844,928
Lake Borgne Basin	1	116	8	16	0.01	0.13	0.06	\$55,000
Orleans	32	128.7	0	205	0.25	N/A	0.16	\$2,433,257 ⁴
Pontchartrain	9 ⁵	128 ⁶	1	8	0.07	9.00	1.13	\$499,944
No Police Department								
North Lafourche	0	45 ⁷	1	0	0	0	N/A	\$0
South Lafourche	0	48	6	10	0	0	0	\$0
Terrebonne	0	25	2	5	0	0	0	\$0
West Jefferson	0	100	0	31	0	N/A	0	\$0
<p>*We used the fiscal year 2006-07 budget for the Orleans Levee District to provide timelier, post-Katrina information. Atchafalaya Basin and Lafourche Basin levee districts were not in our audit scope.</p> <p>N/A = Not Applicable</p> <p>¹ Includes miles of drainage canals.</p> <p>² Includes flood gates, flood walls, and barges.</p> <p>³ This figure includes the district's 20 auxiliary officers.</p> <p>⁴ This figure also includes four police administration positions.</p> <p>⁵ Two of the Pontchartrain Levee District's nine police officer positions were vacant, as of August 11, 2006.</p> <p>⁶ The Pontchartrain Levee District is composed of six parishes.</p> <p>⁷ According to a district official, the district will increase by approximately 125 miles on January 1, 2007, as a result of Act 32 of the 2006 (1st) Extraordinary Session of the Louisiana Legislature.</p>								
Source: Prepared by legislative auditor's staff using information provided by the levee districts.								

Why Do Some Levee Districts Have Police Departments and Others Do Not?

Why Some Levee Districts Have Police Departments. An Orleans Levee District official said that the New Orleans Police Department did not have enough officers to be responsive to levee-related issues. In addition, some subdivisions are built on Orleans Levee District property and patrolling is part of an agreement with the subdivision. Pontchartrain Levee District officials stated that it has its own police because of the size of the district (six parishes and 13 municipalities). If the district receives a levee-related complaint, it would take too long for levee district officials to determine the location of the complaint and which law-enforcement agency has jurisdiction. According to the board president, the East Jefferson Levee District police department is necessary for deterring criminal activity on the levees. A Lake Borgne Levee District official reported that the police officer for his district is responsible for patrolling the levees, pumps, and drainage canals and various other activities.

Why Some Levee Districts Do Not Have a Police Department. Officials from the four levee districts without police departments said they do not have police departments because they rely on local agencies, such as the sheriff's office, city police, and harbor police, for law-enforcement services. Levee district employees also protect the levees by serving as inspectors and watchmen. One levee board president said that levee districts should not have a police department but instead should contract with their local sheriff's office because the parish is responsible for protecting all areas within the parish including levees.

Do Levee Districts Have Written Agreements With Law-Enforcement Agencies to Provide Police Services?

The four levee districts we examined without a police department rely on unwritten agreements for police services. In addition, levee districts that do have police departments also coordinate with many other law-enforcement agencies but do not have any written agreements with any of these entities. According to the Division of Levee District Police Web site, levee police departments coordinate with other law-enforcement agencies, such as the United States (U.S.) Coast Guard, Federal Aviation Administration, U.S. Fish and Wildlife Service, and local police and sheriffs' departments.

According to one levee board president, local law-enforcement entities have always done what his levee district has requested, so there has never been a need for a formal agreement. However, written agreements allow political subdivisions of the state, such as levee districts, to maximize their planning dollars and prevent needless duplication of services.

Can the New Flood Protection Authorities Employ New Police Officers and Are They Required to Keep Existing Police Officers?

An Attorney General Opinion (06-0129) states that flood protection authorities may, at their discretion, retain existing police security personnel on behalf of a levee district. The opinion also states that the flood protection authorities may not directly employ police officers on their own behalf (i.e., employ a regional police department). However, the authorities may employ police officers on behalf of levee districts within their jurisdiction.

Three levee districts with police departments [Orleans (East Bank), East Jefferson, and Lake Borgne Basin] lost their current boards and moved under the authority of the new Southeast Louisiana Flood Protection Authority (SLFPA) - East on January 1, 2007. Act 776 of the 2006 Regular Session amended Civil Code Article 665 to state that levee district law-enforcement personnel shall be continued in employment and function in the SLFPA - East once consolidation occurs on January 1, 2007. However, according to attorney general staff, this act does not guarantee employment. Instead, it means that the transfer of levee district authority from the current boards of commissioners to the SLFPA - East on January 1, 2007, does not automatically result in the termination of law-enforcement personnel. After January 1, 2007, the SLFPA - East has the option to terminate law-enforcement personnel.

R.S. 38:330.7 allows the authorities to enter into cooperative endeavor agreements, or assume the rights and responsibilities of any existing cooperative endeavor agreements, with appropriate law-enforcement agencies or local governmental subdivisions to provide necessary police-security services for levee districts.

What Gives the Levee Districts the Authority to Have Police Officers?

R.S. 38:326 authorizes levee districts, at the discretion of their boards of commissioners, to employ one or more persons as police officers to maintain order and exercise general police power on and off the levees, within the district, and upon their surrounding waters.

Levee district police help to secure levee systems and to ensure that levee districts comply with federal regulations. Specifically, 33 C.F.R. 208.10(b)(1) requires levee superintendents to ensure the following:

- No action taken to destroy the growth of sod
- Properly maintained access to roads to and on the levee
- No unauthorized grazing or vehicular traffic on the levees

- No encroachments to the levee right-of-way that might endanger the structure or hinder proper and efficient functioning during emergencies

Recommendations Related to Levee Police

Recommendation 9: The CPRA should consider using the information we provided to evaluate all six levee districts with a police department over which it has authority so it can determine which police department functions, if any, local, state, and/or federal law-enforcement agencies could assume. The CPRA could then provide this information to the levee boards (including the new Southeast Louisiana Flood Protection Authorities) so the boards can determine if they should continue or modify their current police departments.

Management's Response: The CPRA agrees with this recommendation.

Recommendation 10: The CPRA should encourage levee boards under its oversight that require the services of local, state, and/or federal law-enforcement agencies to enter into interagency agreements for necessary police services.

Management's Response: The CPRA agrees with this recommendation.

Recommendation 11: The CPRA should encourage the levee boards under its oversight to consider employing auxiliary officers to provide additional police services to levee districts at little or no additional cost.

Management's Response: The CPRA agrees with this recommendation.

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RECREATION PROJECTS AND LEASED ASSETS

R.S. 38:325(A)(3-4) authorizes levee boards to engage in the following recreation activities:

- Construct recreational facilities that are located on, or immediately adjacent to, levees, except for Orleans, which is not limited to constructing facilities located on, or immediately adjacent to, its levees
- Maintain, update, renovate, or modernize existing recreational and other facilities the districts own



Source: Legislative auditor’s staff.

In addition, R.S. 38:301(A)(3) authorizes levee boards to construct bicycle paths and walkways along the top of the levees along the Mississippi River in Ascension, East Baton Rouge, Iberville, Jefferson, Orleans, Plaquemines, St. Bernard, St. Charles, St. James, St. John, and West Baton Rouge parishes.

When we conducted our analysis of non-flood assets, we referred to them as “recreation projects.” Therefore, we did not analyze all non-flood asset information since the term “recreation projects” does not encompass all non-flood assets. The following analysis refers to recreation projects we identified as well as assets for which certain levee districts have leases. We included the leases in this section because they generate revenue for the levee districts and are not related to flood control.

Which Levee Districts Have Recreation Projects?

Exhibit 13 is a summary of the levee districts that we examined that have recreation projects, except for Orleans. We presented recreation projects for Orleans separately because we could not obtain the costs associated with its projects.

Orleans Levee District Recreation Projects. The Orleans Levee District has significantly more recreation projects than other levee districts.

R.S. 38:307(C)(1) gives the Orleans Levee Board the authority to develop and maintain, for public use, a system of parks, beaches, tracts of lands, and streets. It also gives the board the authority to construct, equip, and maintain playgrounds, amusement and

Exhibit 13 Levee District Recreation Projects			
Levee District	Number of Recreation Projects	Type of Recreation Projects	Total Costs of Recreation Projects Paid by the District
West Jefferson	1	Bicycle Path	\$0 (no cost to district)
East Jefferson	2	Bicycle Paths	\$256,545 ¹
Pontchartrain	2	Bicycle Paths	\$0 (no cost to district)
¹ The levee district has paid \$256,545 thus far for one of its bicycle paths; however, district officials are unsure how much the path will cost in total.			
Source: Prepared by legislative auditor’s staff using information provided by the levee districts.			

LEVEE DISTRICTS

entertainment places, golf links, gymnasiums, swimming pools, bathing beaches, aviation fields, and other similar places.

The Orleans Levee District provided the listing of recreation projects in Exhibit 14. In addition, district officials reported that the district has 13 to 15 open pavilions, a boat launch, and a fishing pier. According to one district official, Orleans has more than 1,000 leases for boat houses and marina slips but does not have a database in place to document and readily access these contracts. However, the district only submitted to the CPRA nine leases for land, airport space, and marina space.

Exhibit 14 Examples of Orleans Levee District Recreation Projects and Leased Assets As of August 25, 2006	
Project or Asset	Description
West End - New Basin Canal Properties	17 land leases for restaurants, dock space, condominiums, and boat-repair facilities
West End Tennis Club	2.11 acres of land, a parking lot, and a private street for a tennis and fitness club
Orleans Marina	399 boat slips and 59 boat-house leases
South Shore Harbor	453 open-boat slips and 26 covered slips
Lake Vista Community Center	15 professional offices and a large meeting room (Note: The Orleans Board of Commissioners meets in the meeting room.)
New Orleans Lakefront Airport	At least 5 hangars, 48 T-hangars, and 3 corporate hangars
North Peninsula at South Shore Harbor	14.55 acres of undeveloped land located in the vicinity of the South Shore Harbor Marina
Median between West End Boulevard and Pontchartrain Boulevard	A park with benches and a bicycle path

Source: Prepared by legislative auditor's staff using information from the Orleans Levee District.

Why Does Orleans Levee District Have So Many Recreation Projects?

Orleans Levee District officials reported that the district receives half the constitutional tax millages of other levee districts and is required by state law to supplement its budget with the revenues its non-flood (i.e., recreation) activities generate.

According to the Louisiana Constitution, all levee districts, except Orleans, can levy up to a 5.0 millage on the property in areas the levee district protects. Orleans Levee District can levy a tax not to exceed 2.5 mills. Not all levee districts currently collect the entire 5.0 constitutional mills. According to R.S. 38:405, levee districts can assess additional tax millages upon voter approval. Four of the levee districts we examined assess voter-approved millages in addition to the constitutional millage:

RECREATION PROJECTS AND LEASED ASSETS

- Lake Borgne Basin Levee District
- North Lafourche Conservation, Levee and Drainage District
- Orleans Levee District
- South Lafourche Levee District

We found that the Orleans Levee District levies the second-highest tax millage of the levee districts we examined. However, because of income from recreation projects and assets leased, the percentage of revenue generated by the millage is lower than the other levee districts we examined. Exhibit 15 provides a summary of the tax millages levied by the levee districts in our scope.

Exhibit 15 Levee District Millages Percent of Total Revenue				
Levee District	Total Revenue ¹	Total Assessed Millages ²	Amount Generated by Millages	Percent of Total Revenue
2005				
Lake Borgne Basin ³	\$4,232,429	13.35	\$3,779,807	89.31%
Orleans	\$44,273,092	12.76	\$24,364,145	55.03%
North Lafourche	\$1,115,894	12	\$1,069,226	95.82%
South Lafourche	\$3,654,681	9.86	\$2,572,809	70.40%
West Jefferson	\$5,414,506	5.03	\$3,208,369	59.26%
Terrebonne	\$5,996,458	4.89	\$2,144,767	35.77%
East Jefferson	\$7,161,156	4.01	\$6,229,041	86.98%
Pontchartrain	\$6,345,761	3.74	\$4,985,800	78.57%
2004				
Lake Borgne Basin ³	\$4,692,313	13.07	\$3,399,646	72.45%
Orleans	\$39,949,016	12.76	\$23,221,575	58.13%
North Lafourche	\$1,061,620	10.75	\$959,235	90.36%
South Lafourche	\$2,811,452	9.86	\$2,414,759	85.89%
Terrebonne	\$5,209,670	4.89	\$1,996,415	38.32%
West Jefferson	\$7,598,281	4.58	\$3,027,371	39.84%
East Jefferson	\$4,999,990	4.01	\$4,408,350	88.17%
Pontchartrain	\$6,190,498	3.74	\$4,527,797	73.14%
¹ We obtained Total Revenue figures from legislative auditor's financial audit reports. ² Total assessed millages equals constitutional millages plus voter-approved millages. ³ Lake Borgne Basin Levee District is the only levee district we examined that collects millages dedicated to debt services (for a bond). The millage figures for this district include 2.0 mills for debt services in 2004 and 2.25 mills for debt services in 2005.				
Source: Prepared by legislative auditor's staff using information from the tax review officer at LLA and independent audit reports.				

Do Leased Assets Generate Revenue for the Levee Districts?

Our review of contracts levee districts submitted to the CPRA found that the Orleans, Lake Borgne Basin, and Pontchartrain levee districts execute lease agreements for assets, such as land, buildings, and other property, to generate revenue.

Exhibit 16 shows the number of lease agreements, a brief description of the types of leases, and the amount of the lease, by levee district, executed during fiscal years 2004 and 2005.

Exhibit 16			
Estimated Lease Agreements and Amounts			
Fiscal Years 2004 and 2005			
	#	Description	Amount
Orleans¹	2,018	Boat Slip Leases, Boathouse Leases, an Airport Property Lease, a Casino Property Lease, and Other Business Property Leases	\$5,631,732
Pontchartrain	10	Hunting and Fishing Property Leases	\$12,299
Lake Borgne Basin	3	Oil, Mineral, and Gas Lease Agreements	\$18,256
¹ Lease agreements are one contract for multiple years, so we included those leases that encompass both fiscal year 2004 and fiscal year 2005 in our analysis twice. Orleans Levee District officials also stated that it has over 1,000 property leases. It only submitted 18 of the 1,000+ leases to the CPRA.			
Source: Prepared by legislative auditor's staff using information provided by the CPRA and Orleans Levee District.			

What Are the Requirements for the Documentation of Recreation Projects and Leased Assets?

According to R.S. 38:323, each levee board shall maintain records of all land, buildings, improvements other than buildings, equipment, and any other general fixed assets that were purchased or otherwise acquired and for which such entity is accountable. The records shall include information as to the date of purchase of such property or equipment, the initial cost, the disposition, if any, the purpose of such disposition, and the recipient of the property or equipment if the board chooses to dispose of it.

Recommendation Related to Recreation Projects and Leased Assets

Recommendation 12: The CPRA should encourage the Orleans Levee District to maintain a readily accessible listing of all lease agreements and non-flood assets to ensure accountability and accurate reporting.

Management's Response: The CPRA agrees with this recommendation.

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INTERAGENCY COORDINATION

With What Entities Do the Levee Districts Coordinate?

All of the levee districts we examined work with various entities. Some examples include:

- DOTD for drainage, construction and flood-control projects
- DNR for flood-control projects
- Army Corps for engineering services
- Parish governments for non-flood projects and materials
- Other levee districts for human resources issues and levee repairs

Exhibit 17 provides a summary of levee district coordination with local, state, and federal entities.

Exhibit 17 Levee District Coordination With Federal, State, and Local Entities						
	Army Corps	DOTD¹	DNR	Other Levee Districts	Local Parish	Local City/Town
East Jefferson	✓	✓	X	✓	✓	✓
Lake Borgne Basin	✓	✓	X	✓	✓	X
North Lafourche	✓	✓	X	✓	✓	X
Orleans	✓	✓	X	✓	X	✓
Pontchartrain	✓	✓	X	✓	✓	X
South Lafourche	✓	✓	✓	✓	✓	✓
Terrebonne	✓	✓	✓	✓	✓	X
West Jefferson	✓	✓	X	X	✓	✓

¹ Levee districts reported working with the Office of Public Works within DOTD as well as several different DOTD district offices. In addition, several levee districts reported having a written interagency agreement with DOTD; however, we did not receive any from the CPRA for specific projects.

Source: Prepared by legislative auditor’s staff using information from levee districts and DOTD.

Do Levee Districts Document Agreements With Other Entities?

Officials from all the levee districts we examined reported having unwritten agreements with other levee districts, cities, or parish governments. However, written agreements allow for accountability in cases of disasters or legal matters. A 1999 Attorney General’s Office opinion states that verbal contracts are never advisable as they are rarely enforceable with any person or organization. In addition, R.S. 33:1325 provides that interagency agreements “shall be reduced to writing.”



Source: Legislative auditor’s staff.

According to the Colorado Heritage Report, *Best Practices in Intergovernmental Agreements*, interagency agreements allow communities to present a unified and cooperative approach. Interagency agreements can reduce litigation and foster cooperative planning and permitting procedures including joint master plans.

Recommendation Related to Interagency Coordination

Recommendation 13: The CPRA should encourage the levee boards under its oversight (including the Southeast Louisiana Flood Protection Authorities) to require levee districts to put all agreements in writing to ensure accountability, validity, and implementation.

Management’s Response: The CPRA agrees with this recommendation.

APPENDIX A: SCOPE AND METHODOLOGY

We conducted this performance audit under the provisions of Title 24 of the Louisiana Revised Statutes of 1950, as amended. We followed the applicable generally accepted government auditing standards as promulgated by the Comptroller General of the United States. Fieldwork for this audit began in June 2006 and ended in November 2006.

Audit Scope

We limited our performance audit of the levee districts to those with hurricane-protection levees in the Louisiana Coastal Zone. Department of Transportation and Development officials initially informed us that 11 levee districts were in the coastal zone, and nine of them had hurricane protection levees; however, in our background and field work we determined that 10 levee districts were in the coastal zone, six districts have hurricane protection levees, and a seventh district is in the process of building a hurricane protection levee system. In total, we examined eight levee districts: seven levee districts that have, or will have, hurricane protection levees and one other levee district in the coastal zone.

The audit period covered fiscal years 2004 and 2005. In addition, we conducted some real-time work through November 2006. Our audit objective was to answer the following questions:

- 1) How will the recent legislative changes related to the organizational structure and oversight impact the levee districts in the coastal zone?
- 2) What are the major functions of each levee district and which employ good/best practices in carrying out the functions?

Methodology

To gain an understanding of the levee districts in the Louisiana Coastal Zone we performed the following procedures:

- Researched state and federal laws, rules, and regulations
- Reviewed relevant Web sites (e.g., levee districts, Army Corps, DOTD, DNR)
- Interviewed levee district staff (East Jefferson, Lake Borgne Basin, North Lafourche, Orleans, Pontchartrain, South Lafourche, Terrebonne, and West Jefferson levee districts) and other key personnel from the CPRA and other relevant agencies (e.g., DOTD, DNR)

LEEVE DISTRICTS

- Conducted site visits of the levee districts (East Jefferson, Lake Borgne Basin, North Lafourche, Orleans, Pontchartrain, South Lafourche, Terrebonne, and West Jefferson levee districts)
- Attended relevant CPRA meetings

To obtain information on the major functions of each levee district and determine which employ good/best practices in carrying out the functions, we performed the following procedures:

- Reviewed fiscal years 2004 and 2005 contracts the CPRA received from the levee districts in the coastal zone
- Reviewed and analyzed data for each of the eight levee districts related to the cost of levee maintenance and, more specifically, mowing
- Used statutes and recent legislation as well as information obtained from interviews with officials at DOTD and DNR to create organizational charts and maps to illustrate relationships among the levee districts and other related entities
- Verified our analyses with the levee districts via e-mails and phone calls before report writing to ensure accuracy of information
- Verified information received from DOTD and DNR through e-mails and phone calls before report writing to ensure accuracy of information
- Obtained best practices information for interagency agreements, contracts, and levee maintenance

To obtain information on how the recent legislative changes related to the organizational structure and oversight will impact the levee districts in the coastal zone, we performed the following procedures:

- Analyzed relevant legislation
- Interviewed officials from DOTD and DNR and the presidents of the boards of commissioners
- Compared information we obtained from levee district site visits to information we obtained from DOTD and DNR officials

APPENDIX B: GOVERNOR BLANCO'S LETTER TO THE CPRA



KATHLEEN BABINEAUX BLANCO
GOVERNOR

State of Louisiana

OFFICE OF THE GOVERNOR


Baton Rouge

70804-8804

POST OFFICE BOX 94004
BATON ROUGE, LA 70804

MEMORANDUM

TO: Johnny Bradberry, Secretary, Department of Transportation and Development
Scott Angelle, Secretary, Department of Natural Resources
Sidney Coffee, Chair, Coastal Protection and Restoration Authority

FROM: Governor Kathleen Babineaux Blanco 

SUBJECT: Levee District Reform and the Coastal Protection and Restoration Authority

DATE: December 10, 2005

On November 28, 2005, I signed into law Act 8 of the 2005 1st Extraordinary Session of the Louisiana Legislature. This historic act created the Coastal Protection and Restoration Authority (CPR Authority) and charges this body with creating a master plan that fully integrates the state's coastal restoration and hurricane protection efforts. It also empowers this body to exert aggressive and stringent oversight of levee districts in south Louisiana.

The integration of hurricane protection and coastal restoration is necessary for the success of our state's long term recovery and rebuilding efforts and will serve as the guidepost for comprehensive coastal protection efforts for generations of Louisianans to come.

With enactment of Act 8, we must now take the critical next steps to accomplish true levee district reform. Therefore I am charging the CPR Authority to develop and draft language for presentation in the next legislative session that would enable the constitutional abolishment of some levee districts and simultaneously create a new district in the greater New Orleans area with the following objectives:

- 1) To remove opportunities for political patronage;
- 2) To demand that focus be on flood related duties;
- 3) To provide constitutional protection of the new district; and
- 4) To create regional levee protection.

In addition, I ask that the CPR Authority drive the levee and coastal protection recovery and reform efforts underway to ensure that Louisiana's citizens have confidence that a strong levee system will be in place. To that end through your respective roles as heads of the two lead agencies, DOTD and DNR, and as chair of the CPR Authority, I am charging the CPR Authority in its first meeting to be held in January 2006, to also address the following:

- Engagement of a forensic auditor to review all levee district financial information;
- Requiring all significant flood control contracts with levee districts to be approved by the CPR Authority using the state's contractual review process;
- Requiring all non-flood control contracts to be approved by the CPR Authority using the state's contractual review process;
- Requiring all current levee board members and those being considered for future appointments to submit to the CPR Authority a full disclosure of personal information and details of business interests;
- Detailing consequences for non-compliant levee districts (including state management of those levee districts);
- Creation of a state levee inspection program (based on national standards), to include subsurface monitoring of levees;
- Establishment of minimum Operations and Maintenance standards for all levee districts;
- Identification of standard, "critical" indicators to be utilized in monthly reporting and the establishment of procedures to be utilized by districts in submitting such reports to the CPR Authority for review;
- Requiring the submission of detailed reports from levee boards on steps taken since Hurricanes Katrina and Rita to survey levees, detect problems and to make improvements before the next hurricane season;
- Recommendation of a formal state policy regarding the Mississippi River Gulf Outlet (MRGO);
- Development of a Memorandum of Understanding (MOU) to be executed between the CPR Authority and the U.S. Army Corps of Engineers, recognizing the CPR Authority as the lead state entity with the Corps of Engineers on hurricane protection and coastal restoration; and
- Requesting the U.S. Army Corps of Engineers to present monthly, public updates, (more often if needed) on the progress of levee repairs and the federally authorized study on protecting Louisiana's coast.

As you know we must ensure the strongest and most effective levee system available to the citizens of coastal Louisiana. The fate of our levees is a critical question in the rebuilding equation for our families and businesses. People will have the confidence to return to the cities they love when their questions of safety have been sufficiently answered.

I look forward to a full report on your progress. Thank you for your service to the citizens of our state.

cc: Members of the Louisiana Senate
Members of the Louisiana House of Representatives

APPENDIX C: CONTRACTS SUMMARY TABLE

Estimated Contracts and Amounts Fiscal Years 2004 and 2005								
	Professional Services ¹		Other Service Agreements		Interagency Agreements		Total Each Levee District	
	#	Amount	#	Amount	#	Amount	#	Amount
East Jefferson	1	\$56,400	1	\$84,000	7	\$289,027	9	\$429,427
Lake Borgne Basin	3	\$12,500	3	\$1,065	1	\$0	7	\$13,565
North Lafourche²	2	\$0	0	\$0	0	\$0	2	\$0
Orleans³	59	\$7,355,871	1	\$0	0	\$0	60	\$7,355,871
Pontchartrain⁴	9	\$494,744	2	\$105,000	2	\$5,356,296	13	\$5,956,040
South Lafourche	4	\$7,658,203	6	\$233,153	5	\$72,500	15	\$7,963,856
Terrebonne	8	\$1,948,195	0	\$0	3	\$540,710	11	\$2,488,905
West Jefferson	7	\$864,129	1	\$792	3	\$151,621	11	\$1,016,542
Totals	93	\$18,390,042	14	\$424,010	21	\$6,410,154	128	\$25,224,206

¹ We did not receive any contracts for materials and supplies from the CPRA for fiscal years 2004 and 2005.

² We received two contracts for professional services (engineering) from the CPRA for North Lafourche. Each of the contracts provided a schedule of rates for work performed but no set amount. Therefore, we were unable to provide an estimate for the contract amounts.

³ The CPRA provided us with a list of contracts and their amounts for Orleans, not copies of actual contracts. We included the information provided in the list in our estimate. Also, many of the contracts for Orleans that we did review were very long and contained multiple amendments, addendums, board resolutions, etc. Because of time constraints, we did not verify the accuracy of the contract amounts we ascertained from examining these documents. The figures in this exhibit are estimates to provide an overview of the types of contracts issued by levee districts and their amounts.

⁴ Pontchartrain submitted a list of contracts that we did not receive from the CPRA. The contract totals for Pontchartrain include information from the contracts we received from the CPRA and the contract list we received from Pontchartrain.

Source: Prepared by legislative auditor's staff using information provided by the CPRA and levee districts.

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APPENDIX D: RELEVANT LEGAL INFORMATION

Section	Description
Louisiana Revised Statutes Title 38	
Chapter 2-A: Statewide Flood-Control Program	
90.4	Methodology for flood-control project evaluation
90.11	Inspections; operation and maintenance; file of project plans
Chapter 3-A: Hurricane Flood Protection, Construction, and Development	
244	Hurricane flood protection project evaluation; applications; evaluation
245	Project report; public hearings; review by legislature; submission to Coastal Protection and Restoration Authority
247	Office of Public Works, Hurricane Flood Protection and Intermodal Transportation; duties and responsibilities
Chapter 4: Levee Districts	
Part II. Districts	
291	Naming; limits of districts; composition of boards
Part III. General Provisions	
301	Construction and maintenance of levees and drainage; care and inspection of levees; measure of compensation; right of entry; bicycle paths and walkways
301.1	Coastal zone levee districts; elevation reports
302	Commercial lease of lands
303	Compromise of claims related to lands conveyed in error
304	Appointment of members; residency requirements; filling of vacancies
304.2	West Jefferson Levee District; appointment of members; filling of vacancies
304.3	East Jefferson Levee District; appointment of members; filling of vacancies
305	Employment of attorney
305.1	Atchafalaya Basin Levee District; employment of attorney
306	General powers and duties of board
307	Orleans Levee District; powers of board of commissioners
308	Per diem; number of days per diem allowed; travel expenses; salary
309	Corporate status and powers of boards; domicile; evidence of acts and proceedings; deposit of funds; warrants
310	Expenses of levee board members as delegates to flood relief conventions; dues
313	Cessation of activities
314	Issuance of bonds
318	Chart of accounts and annual budget
319	Emergency procedures manual
320	Sale or lease of land; compliance with bid laws
321	Letting of contracts
323	Maintenance of records of general fixed assets
325	Scope of activities
326	Authority of levee district and levee and drainage district police officers; annual expenditure
326.1	Authority of Lafourche Basin Levee District police officer; contracts with sheriffs' offices
326.2	Authority of Lake Borgne Basin Levee District police officer
327	Lake Borgne Basin Levee District Board of Commissioners; powers and duties
328	West Jefferson Levee district Board of Commissioners; powers and duties
329	Terrebonne Levee and Conservation District
329.1	South Lafourche Levee District; additional powers and duties; certain payments
329.2	North Lafourche Conservation, Levee and Drainage District; certain payments
330	Grant of authority to levee districts to act jointly

LEVEE DISTRICTS

Section	Description
Chapter 4: Levee Districts (Cont.)	
Part III - A. Southeast Louisiana Flood Protection Authorities	
330.1	Southeast Louisiana Flood Protection Authority - East and Southeast Louisiana Flood Protection Authority - West Bank; territorial jurisdiction; board of commissioners; appointments; terms; compensation; vacancy; officers; meetings; domicile
330.2	Boards of commissioners, powers and duties
330.3	Levee district and board reorganization; transfer of authority; obligations; taxes; lands
330.4	Regional directors
330.5	Employees
330.6	Counsel to Authority
330.7	Police officers
330.8	Funding; appropriations
330.9	Defense and indemnification of commissioners, officers, or employees
330.10	Statutory reference
330.11	Exceptions to jurisdiction of authorities
330.12	Management of non-flood protection functions and activities
330.13	Public contracts; Louisiana Initiative for Small Entrepreneurship
Part IV. Special Provisions	
331	Coastal Louisiana Levee Consortium; establishment; purposes
338	Construction, maintenance and repairs of levees in the Pontchartrain Levee District; supervision and control
345	Certain levee boards; ad valorem tax expenditures; Parish Transportation Fund expenditures
Part VI. Taxes and Assessments	
402	Appropriation of funds raised for levee purposes
405	Procedure for levying increased taxation
421	Local assessments or forced contributions
Part VII. Bond Issues	
431	Authority to issue bonds; interest rate, etc.
461	Full authority for issuing bonds; additional and alternative methods
471	Authority to issue [improvement] bonds
491	Authority to borrow [federal] money and issue bonds
Part VIII. Certificates of Indebtedness	
511	Anticipation of revenue for five years; authority to borrow money and issue certificates of indebtedness
513	Levee districts reorganized, merged into, and consolidated with a parish
Louisiana Revised Statutes Title 49	
Chapter 2: Office of the Governor	
Part II. Louisiana Coastal Protection, Conservation, Restoration, and Management	
213.1	Statement of intent; authority as local sponsor
213.2	Definitions
213.3	Creation; personnel
213.4	Powers and duties
213.12	Inspection program

Section	Description
Louisiana Constitution	
Article VI. Local Government	
Part I. General Provisions	
16	Special Districts and Local Public Agencies
38	Levee Districts
38.1	Regional Flood Protection Authorities
39	Levee District Taxes
40	Bond Issues
41	Cooperation with Federal Government
Louisiana Civil Code	
Chapter 3: Legal Servitudes	
Section 1 - Limitations of Ownership	
Art. 665	Legal public servitudes
United States Code of Federal Regulations Title 33	
Chapter 2: Corps of Engineers, Department of the Army	
Part 208 - Flood Control Regulations	
203.41	General
208.10	Local flood protection works; maintenance and operation of structures and facilities
Source: Prepared by legislative auditor's staff using information from Louisiana Revised Statutes, Constitution, and Civil Code and United States Code of Federal Regulations.	

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APPENDIX E: MANAGEMENT'S RESPONSE

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Coastal Protection and
Restoration Authority of Louisiana

January 18, 2007

Steve J. Theriot, CPA
Legislative Auditor
State of Louisiana
1600 North Third Street

Dear Mr. Theriot,

Please find the enclosed responses from the Coastal Protection and Restoration Authority (CPRA) to accompany your performance audit on the levee districts in the Louisiana Coastal Zone. After receiving input from staff at the Louisiana Department of Transportation and Development, the CPRA agency with primary responsibility for implementation of the functions covered by this audit, I have responded to your recommendations on behalf of the CPRA.

Again, thank you for your willingness to work with us on this audit and for your appreciation of our time constraints. If you have any further questions, comments or concerns about any coastal issue, do not hesitate to contact me at (225) 342-3968.

Sincerely,

Sidney Coffee, Chair
Coastal Protection and Restoration Authority of Louisiana



Louisiana Legislative Auditor
Performance Audit Division

Checklist for Audit Recommendations

Instructions to Agency: Please check the appropriate box below for each recommendation. A summary of your response for each recommendation will be included in the body of the report. The entire text of your response will be included as an appendix to the audit report.

RECOMMENDATION(S)	AGREE	PARTIALLY AGREE	DISAGREE
<p>Recommendation #3: The CPRA should consider providing the levee boards (including the new Southeast Louisiana Flood Protection Authorities) in the Louisiana Coastal Zone with guidance and, perhaps a checklist, for writing contracts to ensure consistency regarding the form and content of contracts among districts. This guidance could be based on the best practice research we performed or the Office of Contractual Review's contract templates. (p. 13 of the report)</p>	XX		
<p>Recommendation #4: The CPRA should consider reviewing (by attorney or other staff) contracts for all of the levee districts in the Louisiana Coastal Zone. Based on its review, the CPRA can identify efficiencies in contracting practices and share them among the levee boards over which it has authority. Sharing these efficiencies will help develop consistent, accurate, and efficient contracting practices. (p. 14 of the report)</p>	XX		

<p>Recommendation #5: Because there are so many state and federal requirements for levee inspections, as well as multiple manuals and guidelines, the CPRA should consider coordinating a training session for levee districts on inspection procedures so that levee districts understand what is required of them. Such coordination would help ensure that all entities responsible for levee inspection, maintenance, and care perform their duties accurately and consistently. (p. 16 of the report)</p> <p><i>Response to #5: LADOTD is presently working with the USACE and local levee districts to coordinate inspection procedures and provide necessary training. LADOTD in cooperation with the LTRC has developed a training program for Levee Inspectors. The CPRA certainly agrees that it should coordinate this activity and will likely continue to delegate this task to LADOTD.</i></p>	XX		
<p>Recommendation #6: The CPRA should advise levee district officials to request an inspection manual from the Army Corps if they have not received it for completed projects. Guidance from the required manual should help ensure proper care of the levees. (p. 16 of the report)</p> <p><i>Response to #6: LADOTD has already requested the Corps O & M and inspection manuals for each Corps project. This is an ongoing requirement for each project.</i></p>	XX		
<p>Recommendation #7: The CPRA should consider using the information we provided, including the efficient maintenance and equipment practices levee districts reported, to evaluate the maintenance practices and equipment expenditures of the levee districts it oversees. The CPRA could provide this information to the levee boards (including the new Southeast Louisiana Flood Protection Authorities) so they can determine if the levee districts should continue or modify their current maintenance practices. (p. 21 of the report)</p>	XX		

<p>Recommendation #8: The CPRA should consider evaluating the maintenance practices and staffing of the North Lafourche Conservation, Levee and Drainage District. Lafourche Parish currently maintains the 45 miles of levee under the jurisdiction of North Lafourche; however, according to a levee district official, the size of the district significantly increased (by approximately 125 miles) when Act 32 of the 2006 First Extraordinary Session took effect on January 1, 2007. (p. 21 of the report)</p> <p><i>Response to #8: While this is a good recommendation, there is some question whether or not the maintenance practices and staffing are the responsibility of the Levee Board and must be consistent with their financial ability.</i></p>		XX	
<p>Recommendation #9: The CPRA should consider using the information we provided to evaluate all six levee districts with a police department over which it has authority so it can determine which police department functions, if any, local, state, and/or federal law-enforcement agencies could assume. The CPRA could then provide this information to the levee boards (including the new Southeast Louisiana Flood Protection Authorities) so the boards can determine if they should continue or modify their current police departments. (p. 26 of the report)</p>	XX		
<p>Recommendation #10: The CPRA should encourage levee boards under its oversight that require the services of local, state, and/or federal law-enforcement agencies to enter into interagency agreements for necessary police services. (p. 26 of the report)</p>	XX		
<p>Recommendation #11: The CPRA should encourage the levee boards under its oversight to consider employing auxiliary officers to provide additional police services to levee districts at little or no additional cost. (p. 26 of the report)</p>	XX		

<p>Recommendation #12: The CPRA should encourage the Orleans Levee District to maintain a readily accessible listing of all lease agreements and non-flood assets to ensure accountability and accurate reporting. (p. 30 of the report)</p>	XX		
<p>Recommendation #13: The CPRA should encourage the levee boards under its oversight (including the Southeast Louisiana Flood Protection Authorities) to require levee districts to put all agreements in writing to ensure accountability, validity, and implementation. (p. 32 of the report)</p>	XX		



KATHLEEN BABINEAUX BLANCO
GOVERNOR

STATE OF LOUISIANA
DEPARTMENT OF TRANSPORTATION AND DEVELOPMENT
P.O. Box 94245
Baton Rouge, Louisiana 70804-9245
www.dotd.louisiana.gov



JOHNNY B. BRADBERRY
SECRETARY

January 19, 2007

Mr. Steve J. Theriot
Legislative Auditor
P. O. Box 94397
Baton Rouge, Louisiana 70804

RE: Performance Audit Report

Dear Mr. Theriot

In response to the checklist for audit recommendations, we have reviewed the Performance Audit Report and agree with recommendations 1 & 2 of the report.

If we can be of any further assistance, please do not hesitate to call me at 225-274-4171.

Sincerely,

David R. Miller, P.E.
Chief, Public Works and Hurricane Flood Protection

Attachment

cc: Johnny Bradberry, DOTD Secretary
Ed Preau, Assistant Secretary