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LJOHNSON/htc/318

LMVBC

8 December 1972

SUBJECT: Status Report - Lake Pontchartrain and Vicinity, La. (Hurricane Protection)

HQDA (DAEN-CWB-C//Mr. Shanahan)

Inclosed for your information and use is a Status Report on the Lake Pontchartrain and Vicinity Project giving the effects of the recent defeat of Louisiana Constitutional Amendment No. 6. This confirms information furnished by telecopier this date.

FOR THE DIVISION ENGINEER:

1 Incl
as

FERD E. ANDERSON, JR.
Colonel, CE
Deputy

COL
ANDERSON

Copy furnished: (w incl)
DE, NOD, ATTN: LMNPD

Mr. Blankenship
Mr. Willis
Mr. Boswell
~~Mr. Bayley~~ *3*
Mr. Odell
Mr. Torrey
Mr. L. Johnson
Mrs. Kessler (Proj file)

AFTER
DISPATCH

NETTLES

Exec Ofc (wo incl) 1.COL Anderson
2.GEN Noble

8 December 1972

STATUS REPORT - LAKE PONTCHARTRAIN & VICINITY PROJECT

1. In view of the assurances expressed by the Governor of Louisiana in the attached letter, it is felt that failure of Louisiana Constitutional Amendment No. 6 will have no significant impact on prosecution of the project. The Governor, under Louisiana Revised Statute 38:81 (as amended by Act 127 of 1952) is authorized to contract, on behalf of the State or any agencies thereof, with the Federal Government for flood protection works. Further, when authorized by an Act enacted by the Legislature of Louisiana, the Department of Public Works or a specifically designated Commission acting on behalf of the State, as a State agency, may meet the funding requirements for any public works type improvement, such as required of local interests for flood protection projects. Appropriations by the legislature can be made to meet such a commitment.

2. Local interests have provided 39 percent of the total Federal and non-Federal expenditures through June 1972. A cash contribution of \$1,150,000 from local interests has been requested and received for work proposed in FY 1973. The remainder of local interests contribution during FY 1973 is based on receipt of rights-of-way and accomplishment of relocations which have been requested. Some minor delay has been experienced in receiving the rights-of-way while local interests have awaited the outcome of Amendment No. 6, and some additional delay is expected while interim financing arrangements are made between local and state interests. However, it is anticipated that the rights-of-way and relocations will be accomplished in sufficient time for contracts scheduled this fiscal year to be awarded. The delays will probably result in some unexpended funds in FY 1973.

However, these funds will be obligated and are required in FY 1974 to fund continuing contracts.

3. It is anticipated that the delays being experienced in FY 1973 will have some effect on our capability to continue the project in FY 1974 at the funding level of FY 1973. This reduced capability will most likely have some effect on completion of the overall project as well as beneficial completion since initiation of the Barrier Unit in FY 1973 is affected.

4. Governor Edwards in his letter of 27 November 1972 urged that the overall project be prosecuted as fast as possible. This sentiment was echoed by the Mayor of New Orleans and the President of the Orleans Levee Board in a meeting with the New Orleans District Engineer on 5 December 1972. In that meeting the mayor promised a letter to the Corps officially stating his position. A meeting with the levee board is being planned during the week of 18 December 1972 to discuss rights-of-way required and dates they will be furnished. Priorities for accomplishment of work will also be discussed

5. It is urgent that all work on the project be continued and that works be put in place as rapidly as funding, both Federal and non-Federal, will permit. The value of interim protection from works in-place was amply demonstrated during Hurricane Camille when an estimated \$90 million in damages was prevented.

6. As additional information, an editorial printed by the New Orleans Times Picayune on 22 November 1972 is inclosed.



State of Louisiana

EXECUTIVE DEPARTMENT

Eaton Range

EDWIN EDWARDS
GOVERNOR

November 27, 1972

REGISTERED MAIL.
RETURN RECEIPT REQUESTED

Colonel Richard L. Hunt
District Engineer
Department of the Army
New Orleans District, Corps of Engineers
P. O. Box 60267
New Orleans, Louisiana 70160

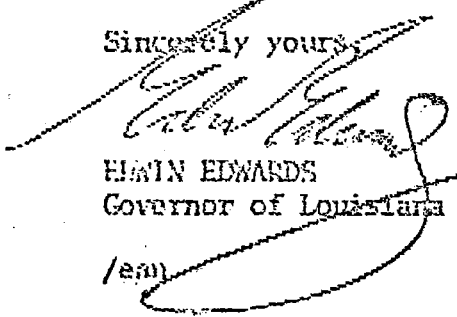
Dear Colonel Hunt:

This is to inform you that not withstanding the failure of Amendment No. 6 in the recent election, the State of Louisiana intends to take whatever action is necessary to carry out its responsibilities with regard to providing its share of the funding required for the Lake Pontchartrain and Vicinity Hurricane Protection Project as originally planned.

I will insure that funds currently on hand with the individual assuring agencies will be made available in furtherance of the overall project and in the meantime will determine specific alternative methods of providing the additional funds necessary for this project which is so vital to the metropolitan area bordering on Lake Pontchartrain.

I also urge that you use every means available to you in moving the overall project ahead as fast as possible.

Sincerely yours,


EDWIN EDWARDS
Governor of Louisiana

/em

Get Flood Protection Funds

It's a way, but a constitutional amendment is not essential to fund further the Lake Pontchartrain and Vicinity Hurricane Protection Project, which began about seven years ago.

What is essential is an adequate means of financing to show Washington that local interests can "make good" on prior written assurances of 30 per cent cost-sharing in the federal-local undertaking.

Amendment No. 6, defeated with most other propositions this month, would have allowed the Orleans Levee Board to impose up to 2½ mills to retire bonds toward the city's prorated share of the \$282 million project.

But, in due course the Pontchartrain Levee Board would also have to acquire additional taxing potential to cover the East St. Charles and East Jefferson participations, and St. Bernard public bodies must act soon to come up with more matching funds.

While levee funding has been traditionally by a benefit tax — property that gets protection gets taxed — there can be other means of financing, based on the broader notion, for instance, that flood-protection works safeguard the people's lives too, and human life is not a commodity to be assessed according to millage.

(St. Bernard officials have been contemplating a referendum to levy a sales tax to cover the remaining cost share of the Chalmette loop of the project not met by levee board millage.

The state is the official assuring agency with the federal govern-

ment, and so the Legislature, which offered the proposed constitutional amendment route that was thrice rejected can try other avenues of funding.

Recently the Legislature embarked on "revenue sharing" with the parishes as an alternative to the property tax relief fund distribution that was declared unconstitutional by a federal court. Might not a similar approach work to channel funds due from the state toward the respective parishes for their flood protection cost-sharing?

Or, consider the reported \$112.65 million in federal revenue sharing which Congress allocated this year for Louisiana's state and local governments. New Orleans is down for \$14.74 million, Jefferson \$4.86 million and St. Bernard \$863,000.

Then there's the state's \$37.9 million share, all of which Gov. Edwin Edwards said he intends to pour into highways. What about converting a portion of those revenues destined to be spent within the territory of the Lake Pontchartrain project for flood protection?

One way or other, state and local officials who once demonstrated great public concern about rapid completion of the flood-protection works are going to have to show some leadership to fulfill our part of the bargain.

Assuming a satisfactory final statement that is due next month to the President's Council on Environmental Quality, the White House and Congress may continue maximum federal funding for another year or two, anticipating ultimate success at local financing. In the interim, let's see some local initiative.