



Everything New Orleans

The Times-Picayune

Budget surplus is windfall for coast \$300 million going to levees, restoration

Thursday, August 14, 2008

By Mark Schleifstein
Staff writer

The state Coastal Protection and Restoration Authority agreed Wednesday to spend \$300 million in 2007 budget surplus money on a variety of hurricane protection and coastal restoration projects, including \$100 million that will help speed completion of 100-year east bank and West Bank levees in the New Orleans area.

▼ Advertisement

[CONTINUE STORY](#)

Combined with previous commitments, the state now plans to spend more than \$1 billion in state money on levee and restoration projects during the next four years -- most during the next year -- with the vast majority of it dedicated to construction, Gov. Bobby Jindal said at a news conference after the meeting.

"Today is literally a billion-dollar day, a billion-dollar day for coastal restoration efforts throughout the state of Louisiana," Jindal said.

"The days and time of studies are behind us. We are officially today starting the process of turning dirt, starting construction."

The decision also marks an early first payment by the state on the \$1.8 billion it owes as its share of the cost of raising New Orleans levees to a 100-year level of hurricane storm-surge protection.

In addition to the spending approved Wednesday, the state has committed to spending \$200 million from a 2006 budget surplus for levee and restoration projects; \$83 million from the state's coastal restoration trust fund and capital outlay budget; and \$68 million for Breaux Act projects, all in fiscal year 2009.

The authority also has approved spending about \$510 million from offshore oil revenue during the next four years under the federal Coastal Impact Assistance Program.

Much of the money for restoration projects will represent advance payments by the state of its share of the costs of federal projects that Congress has authorized but for which it has not appropriated money to the Army Corps of Engineers for construction. In most cases, the federal share will be 65 percent and the state's share will be 35 percent.

The authority had delayed deciding how to spend the \$300 million last month while awaiting a decision by the Bush administration or Congress to give the state 30 years to pay back its share of the cost of building levees in the New Orleans area. The Bush administration agreed to the 30-year payback last week, freeing up the \$300 million that would otherwise have been needed to pay for the New Orleans levees.

The \$50 million for the Lake Pontchartrain and Vicinity levee project includes \$2.5 million that the state committed to pay earlier this year to accelerate construction of a barrier to keep surge from Lake Borgne out of the Industrial Canal, said authority Chairman Garret Graves.

The \$50 million allocated to the West Bank and Vicinity project includes a previously committed \$5 million to accelerate construction of some parts of that project.

Jindal said it was necessary to advance the \$100 million because it is the state and local governments' responsibility to acquire land to build levees, and those expenses come up early in the construction process.

"The people of Louisiana and New Orleans were promised flood protection by 2011, and we want to make absolutely sure those levees are ready," Jindal said.

The \$40 million allocated to construction of a lock on the Houma Navigation Canal, part of the Morganza to the Gulf levee project, is a sign of the state's commitment to that project, despite concerns raised about its environmental effects, Jindal said.

He introduced four generations from the family of retired Little Caillou Volunteer Fire Department Chief Marvin Thibodeaux, many of whom are members of the Chauvin fire department, as an example of Terrebonne Parish residents who would be protected by the proposed levee.

The fire department was instrumental in sandbagging a local levee around the town in 2002, keeping it from flooding during Hurricane Lili. But it was unable to protect Chauvin from flooding during Hurricane Rita in September 2005.

Another \$27 million from Lafourche and Terrebonne parishes has been committed to build some parts of the Morganza project this year.

About \$3 million will pay the state's share of a study to identify future levee projects in southwest Louisiana. The much smaller share of money going to southwest Louisiana is because the area is at the beginning of the levee-design process.

Part of the \$30 million set aside to rebuild the Caminada headland – a stretch of sandy coastline just south of Port Fourchon – will be used to complete the state purchase of Elmer's Island, which will be opened as a state recreation area.

Another \$15 million will rebuild beaches along the Gulf in Cameron Parish, near the Texas border, where erosion exacerbated by Rita threatens the Louisiana 82 evacuation route.

About \$20 million will be used to complete the first phase of a project to pour Mississippi River water into Bayou Lafourche. The 300 cubic feet per second of water routed around a dam, which closed the bayou's connection to the river at the beginning of the 20th century, will help reduce the salt content in water supplies downstream.

The state will use \$7 million to continue work on a plan to increase the size of the proposed Myrtle Grove freshwater diversion in Plaquemines Parish from 15,000 cubic feet per second to as much as 100,000 cubic feet per second, which would be the largest diversion along the river. The releases at this diversion would be "pulsed," with the releases only at the highest rate during traditional spring flooding season.

A \$3 million diversion at the Hope Canal in St. John the Baptist Parish would add fresh water to the cypress swamp surrounding Lake Maurepas. Jindal said a \$15 million plan to use pipelines to move sediment dredged from the Mississippi River through the west bank of Plaquemines Parish to wetland restoration projects in Jefferson and Lafourche parishes will help show the process also can be used to move sediment from the Atchafalaya River into rapidly sinking wetlands in Terrebonne Parish.

The authority also approved spending \$16 million on a variety of innovative coastwide initiatives, including financial support for the construction of a dredge designed to rebuild Louisiana's wetlands.

The state also plans to develop a program making wetland restoration projects eligible for carbon sequestration credits in the event Congress requires industry to use the credits to offset its production of carbon dioxide and other greenhouse gases.

The authority also set aside \$13.5 million for an emergency reserve and for advancement of high priority projects as necessary.

.....

Mark Schleifstein can be reached at mschleifstein@timespicayune.com or 504.826.3327.