



"RE-BUILDING THE CITY'S WATER SYSTEMS FOR THE 21ST CENTURY"

Sewerage & Water Board OF NEW ORLEANS

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SWB Statement on the SELA Claims Process

"The SELA Drainage program will significantly reduce flood damages to residents and businesses in the Uptown area and is part of a historic infrastructure improvement effort that is a once-in-a-lifetime opportunity to better position New Orleans for the future. These projects are the result of years of hard work with federal, state, and local partners, and we are fully coordinating all of this work to ensure it's done right the first time.

In partnership with the U.S. Army Corps of Engineers, a SELA property damage claims process has been established in the event a property is determined to have been damaged during construction. Property owners are encouraged to visit www.swbnoselacclaims.com to initiate the claims process or call the SELA Hotline at (504) 585-2450 for more information.

, "We set up this claims process so that we would have a mechanism in place to resolve these damage claims quickly, fairly and in a cost effective manner. While we understand that there may be instances where litigation is appropriate when these claims cannot be amicably resolved, that option will take years and be very costly. We thought it best to establish a procedure to adjust these claims in an effort to avoid prolonged litigation and to allow our residents the ability to repair their homes in a timely fashion. This procedure has worked well with other recent SELA projects where most claims were resolved without the need for litigation."

Our goal is to resolve damage claims quickly, fairly and in a cost-effective manner so that property owners may repair any SELA-related damages in a timely fashion and avoid prolonged litigation that could take years and be very costly. This claims process has worked well with other recent SELA projects where claims were resolved without the need for litigation."

-Cedric S. Grant, Executive Director of the Sewerage and Water Board of New Orleans

BACKGROUND

The following information is included in the attached SELA Claims Brochure that is scheduled to be mailed to 5,000 property owners on Friday, June 12th:

In an effort to alleviate flooding in New Orleans, the Federal Government, through the U.S. Army Corps of Engineers (USACE), has committed \$1 billion on drainage construction improvements through the Southeast Louisiana Urban Flood Control Program (SELA), some of which are currently underway in the Uptown area.

These construction projects by the USACE, while inconvenient at this time, will improve drainage capacity for the Uptown section of our City significantly. The Sewerage and Water Board of New Orleans (SWBNO), being responsible for the major drainage operations in the City, has a partnership agreement with USACE to fund 35% of the cost of construction. Additionally, in accordance with the agreement, SWBNO has agreed to investigate and resolve property damage issues caused by their construction, with those costs being credited against SWBNO's 35% contribution. Because S&WB is receiving this credit for damages caused by the projects of the USACE, the USACE must review and approve the proposed compromises of claims before they are finalized.

In order to carry out this function, a licensed Professional Forensic Engineer provides the services necessary to evaluate properties and the following occurs:

- Residents are offered the opportunity for a free pre-construction and post-construction inspection of their property by the Engineer in order to document its current condition, as well as property damage.;
- A report detailing the inspection is requested by SWBNO once a claim is made; and
- A copy of the report is provided to the resident property owner, again at no cost, once a claim is made.

SELA Claims Process

1. Residents initiate the property claims process by calling the SELA Hotline at (504) 585-2425 or visiting www.swbnoselacclaims.com
2. Once the claim is received, it is forwarded to the attention of the Forensic Engineer who contacts the resident to arrange an inspection of the property.
3. A report is sent to the SWBNO delineating any and all SELA construction related damage found to the property during the inspection along with a detailed estimate of the cost of repairs. A copy of the estimate is provided to the resident property owner.
4. In instances where there is damage, the SWBNO forwards a claim packet to the USACE on the property detailing the damages for its review and approval.
5. When that review is complete, assuring that funds expended on a particular claim count toward the SWBNO's 35% contribution, the SWBNO contacts the resident property owner with a settlement offer.
6. Once a compromise is reached, upon execution of closing documents, a settlement check is issued payable to the resident property owner.
7. Although not required, at any time during the claims process the resident property owner may submit estimates and/or any other documentation believed pertinent for review in an attempt to reach an amicable conclusion.

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