



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

Sewerage & Water Board OF NEW ORLEANS

MITCHELL J. LANDRIEU, *President*
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February 3, 2014

TO THE HONORABLE PRESIDENT AND MEMBERS OF THE SEWERAGE AND WATER BOARD OF NEW ORLEANS

The **Operations Committee** of the Sewerage and Water Board of New Orleans met on Monday, February 3, 2014, at 9:00 A.M. in the 2nd Floor Board Room, 625 St. Joseph Street to address the following matters:

ACTION ITEMS

APPROVAL OF PREVIOUS REPORT

The report of the Operations Committee Meeting held on January 6, 2014 was received and approved on a motion of Mrs. Schornstein and seconded by Mr. Bracy. The motion carried.

BID RECOMMENDATIONS – DBE PARTICIPATION

Emergency Letter Bid; Reconstruction of the Existing Florida Ave. Canal between Spain St., and Music St.

On Friday, January 17, 2014, three (3) bids were received for subject contract. The bid totals are as follows:

Cajun Construction, Inc.	\$ 2,216,000.00
Boh Bros. Construction Co., LLC	\$ 2,440,375.00
Cycle Construction Co.	\$ 2,498,375.00

Twenty percent (20%) SLDBE participation was estimated by Sewerage & Water Board of New Orleans' engineers on this contract.

The apparent lowest bidder, Cajun Construction, Inc., submitted the following subcontractors:

Palmisano Trucking, Inc. (eligible certified SLDBE) to perform trucking
\$18,295.00 — 0.83%

Baker Ready Mix, LLC (eligible certified SLDBE) to provide concrete ready mix
\$104,510.00 — 4.72%

PJM Safety Supplies, LLC (eligible certified SLDBE) to provide safety supplies
\$2,196.00 — 0.1%

Three C's Properties, Inc. (eligible certified SLDBE) to provide fencing
\$4,200.00 — 0.19%

Pierce Foundations, Inc. (eligible certified SLDBE) to perform pile driving
\$358,060.00 — 16.16%

SLDBE Participation totals: **\$487,261.00 — 21.99%**

The apparent second lowest bidder, Boh Bros. Construction Co., LLC, submitted the following subcontractors:

Baker Ready Mix, LLC (eligible certified SLDBE) to provide concrete batch plant/ready mix
\$127,895.00 — 5.24%

B&S Equipment Co., Inc. (eligible certified SLDBE) to perform demolition and pumping
\$536,654.00 — 21.99%

Prince Dump Truck Service (eligible certified SLDBE) to provide hauling and aggregate materials
\$34,924.00 — 1.43%

Participation totals: **\$699,473.00 — 28.66%**

Based upon analysis of SLDBE participation, the Economically Disadvantaged Business Program confirms that the SLDBE participation submitted by Cajun Construction, Inc., and Boh Bros. Construction Co., have met the Sewerage & Water Board's engineers' SLDBE participation estimate.

The recommendations on subject contract were accepted and approved by a motion of Mr. Bracy and seconded by Mrs. Schornstein. The motion carried.

Request For Proposals for the Customer Information System Solution

On Monday, January 13, 2013, two (2) proposals were received for subject contract. The submittals received are as follows:

**Advanced Utility Systems, (A Division of North Harris Computer Corporation)
Cogsdale Corporation, Inc.**

Sixteen-percent (16%) SLDBE participation goal was requested on this proposal.

Advanced Utility Systems submitted the following subcontractors:

Luther Speight & Company, LLC (eligible SLDBE company) to provide administrative business management consulting and general management consulting \$259,000.00 – 6.34%

Major Services, Inc. (eligible SLDBE company) to provide computer processing, data preparation and processing and computer programming website design \$414,000.00 – 10.13%

Participation totals: \$673,000 – 16.47%

Cogsdale Corporation, Inc. submitted the following subcontractors:

Debra Gould & Associates, Inc. (eligible SLDBE company) to provide business planning, which consist of change management, training and executive coaching \$170,775.00 – 4.35%

Luther Speight & Company, LLC (eligible SLDBE company) to provide business consulting, which consist of administrative business management and general management consulting \$225,844.00 – 5.75%

Major Services, Inc. (eligible SLDBE company) to provide computer services which consist of data conversion and computer support services \$252,821.00 – 6.44%

Participation totals: \$649,440.00 – 16.54%

Based on analysis of the SLDBE participation, the Economically Disadvantaged Business Program recommends that the participation submitted by **Advanced Utility Systems** and **Cogsdale Corporation, Inc.** be approved.

The recommendations on subject contract were accepted and approved by a motion of Mrs. Schornstein and seconded by Mr. Bracy. The motion carried.

CONSTRUCTION REVIEW COMMITTEE

Construction projects were not submitted to the Construction Review Committee for the month of January 2014, therefore the Construction Review Committee meeting was not held.

STAFF CONTRACT REVIEW COMMITTEE

The Staff Contract Review Committee met on January 21, 2014 and made the following recommendations:

Renewal Contracts

Pursuant to the Finance/Operations Committees request for SLDBE compliance on contracts involving renewals, please find subject information.

First and Final Renewal, 40% SLDBE Participation.

1. Furnishing Office Supplies

Renewal Cost:	\$19,458.16
Prime Contractor:	New Orleans Office Supplies, Inc.
SLDBE Sub-contractor:	Corporate Business Supplies, Inc.
Funding Source:	Operating and Maintenance Budget

The SLDBE participation goal is 40.00%. The SLDBE participation achieved is 48.00%.

First of Two (2) renewal options, 35% SLDBE Participation.

2. Preparation of the Report on Operations for 2013

Renewal Cost:	\$101,000.00
Prime Contractor:	Black & Veatch Corporation
SLDBE Sub-contractors:	Bruno & Tervalon, LLP Julien Engineering & Consulting Services, Inc.
Funding Source:	Operating and Maintenance Budget

The SLDBE participation goal is 35.00%. The SLDBE participation achieved is 48.51%.

First and Final Renewal, 0% SLDBE Participation.

3. Furnishing Air Conditioning and Heating Services

Renewal Cost:	\$58,799.00
Prime Contractor:	Siemens Industry, Inc.
Participation goal Justification	There is 0% SLDBE participation because this project cannot be subdivided into areas that will include certified SLDBE subcontracting opportunities because of the warranty requirements.
Funding Source:	Operating and Maintenance Budget

The Staff Contract Review Committee's recommendations were approved on a motion by Mrs. Schornstein and seconded by Mr. Bracy. The motion carried.

CONSTRUCTION RENEWAL CONTRACT WITH DBE PARTICIPATION

There were no construction renewal contracts with DBE participation.

FINAL ACCEPTANCE ON CONSTRUCTION CONTRACTS WITH DBE PARTICIPATION

Contract #8140 – Hurricane Katrina Related Repairs at the Carrollton Water Plant & Intake #1

The Prime Contractor is MST Enterprises, LLC.

The DBE participation goal is 36%. The DBE participation achieved is 37.35%.

The Economically Disadvantaged Business Program recommends that the SLDBE participation on subject contract be approved for final acceptance.

The above referenced final acceptance on subject contract with DBE participation was approved by a motion of Mr. Bracy and seconded by Dr. Wright. The motion carried.

INFORMATION ITEMS

Customer Account Management System Replacement

Mr. Robert Miller, Interim Executive Director provided an update of the *New Customer Information System*. The Customer Account Management System (CAM) selection team reviewed and evaluated the RFP's from Cogsdale Corporation and Advanced Utilities and determined that the proposal from Cogsdale Corporation was the preferred choice based upon usability, project approach, and additional available modules. Mr. Miller provided an overview of Enterprise Solution and Best of Breed Solution and the difference between a Tier 1 and a Tier 2 Solution as it pertains to the system meeting the needs of Sewerage & Water Board of New Orleans. Mr. Miller is recommending a Best-of-Breed Solution and Tier 2 Solution which represents the highest confidence, success and value for the funds spent.

Dr. Wright inquired if there were any local companies that replied to the RFP. Mrs. Schornstein inquired about the location of the clients. Mr. Miller replied they are located in Canada. Mr. Bracy inquired about the DBE participation percentage. Mr. Miller advised both companies were meeting the DBE percentage in the RFP. Mr. Bracy inquired about a diversity statement. Mr. Miller advised we have not asked about a diversity statement. Mr. Bracy inquired if other cities have utilized these companies. Mr. Miller stated the two companies are industry leaders.

Staff is recommending that the Interim Executive Director be authorized to enter into contract negotiations to establish final terms and conditions for a contract to be considered for award to Cogsdale Corporation for the new *Customer Information System*.

The Committee received the report.

Customer Service Results Through November 2013

Mr. Robert Miller, **Interim Executive Director** provided an update on the Customer Service Results. Mrs. Schornstein inquired if the call center positions are minimum wage positions. Mr. Miller replied they are not. However, they are the lowest wage positions besides laborers. Ms. Schornstein indicated that the low wages accounts for the high turnover. Mr. Moody inquired what is the solution to lowering the high turnover. Mr. Miller indicated that by reducing the number of occasions to call, give customers technology alternatives other than talking to representative, authorize SWB to hire more staff and consider if it's just pay or quality of life issues. Members of the board are requesting staff to review job descriptions and look into a possible upgrade for the position and rewrite job description for call center representatives to include other duties and responsibilities. Mr. Miller is requesting to add as an additional section to the Customer Service Improvement Plan.

The Committee received the report.

DBE Participation Report

The Committee received the report. Dr. Wright inquired what are the areas of contracts we do not have SLDBE vendors certified. Mr. Miller requested that Mr. Porter, Interim EDBP Director provide a list of contracts with 0% SLDBE participation.

- Diversity Statement Within Language of Contracts Re: DBE Program
- Evaluation Performance History Re: DBE Contractors

Members of the board clarified that Sewerage & Water Board of New Orleans would need to go to the state level to amend the law in reference to requesting a diversity statement within Language of Contracts.

The Committee received the reports.

2014 Committee/Board Meeting Schedule

The Committee received the report.

Any Other Matters

None

ADJOURNMENT

The meeting adjourned at 9:56 AM with a motion by Mrs. Schornstein and seconded by Dr. Wright. The motion carried.

ATTENDANCE

PRESENT: Mr. Mark Moody, Chair
Dr. Beverly Wright
Mr. Marion B. Bracy
Mrs. Florence Schornstein

ABSENT: Ms. Loyce Wright

Also in attendance were the Interim Executive Director; General Superintendent; Deputy Superintendent; Attorney IV; EDBP Interim Director; EDBP Certification Supervisor; Purchasing Director; Community and Intergovernmental Relations Director; Jason Higginbotham, Jacqueline Shine, SWB; Carol Rocque, Damon Rocque Securities.

Very truly yours,

Mr. Mark Moody, Chair

MMM/vjc