



**"RE-BUILDING THE CITY'S WATER SYSTEMS FOR THE 21<sup>ST</sup> CENTURY"**

# **Sewerage & Water Board OF NEW ORLEANS**

MITCHELL J. LANDRIEU, President  
WM. RAYMOND MANNING, President Pro-Tem

625 ST. JOSEPH STREET  
NEW ORLEANS, LA 70165 • 504-529-2837 OR 52W-ATER  
www.swbnola.org

February 4, 2014

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

The Finance Committee of the Sewerage and Water Board of New Orleans met on Tuesday February 4, 2014 at 9:00 A.M. in the Board Room, 625 St. Joseph Street to consider the following matters.

### **ACTION ITEMS**

#### **Item 1      APPROVAL OF PREVIOUS REPORT**

The report of the Regular Finance Committee Meeting held on Tuesday, December 3, 2013 was received. Upon a motion of Ms. Kane and second by Mr. Manning, the report was approved.

#### **Item 2      GENERAL SUPERINTENDENT'S RECOMMENDATIONS BIDS**

##### **R-021-2014 – FURNISHING, DELIVERING AND INSTALLING GPS**

##### **SYSTEM FOR SEWERAGE AND WATER BOARD OF NEW ORLEANS VEHICLE FLEET – REQ. NO. YG140007**

Mr. Becker recommended the low bid of Motionlink in the total amount of \$437,939.52.

Upon a motion by Mr. Manning and seconded by Ms. Kane, the motion was approved.

##### **R-022-2014 – FURNISHING COMPLETE FLEET TIRE SERVICE - REQ. NO. YG140003**

Mr. Becker recommended that this bid be rejected and rebid.

Upon a motion by Ms. Kane and seconded by Mr. Manning, the bid was rejected.

## **CONTRACT RENEWALS**

### **R-023-2014 – FIRST AND FINAL RENEWAL OF CONTRACT FOR FURNISHING & DELIVERING OFFICE SUPPLIES - REQ. NO. ST140001**

#### **(PREVIOUS REQ. NO. ST120003)**

Mr. Becker recommended the first and only renewal of contract for furnishing & delivering office supplies to New Orleans Office Supplies, Inc. for the amount of \$48,784.83.

Upon a motion by Ms. Kane and seconded by Mr. Manning, the motion was approved.

### **R-030-2014 – FIRST AND FINAL RENEWAL OF CONTRACT FOR FURNISHING AIR CONDITIONING AND HEATING MAINTENANCE FOR CENTRAL YARD - REQ. NO. Y0130007**

Mr. Becker recommended the first and only renewal of contract for furnishing air conditioning and heating to Siemens Industry, Inc. for the amount of \$58,799.00.

Upon a motion by Ms. Kane and seconded by Mr. Manning, the motion was approved.

### **R-031-2014 –EMERGENCY LETTER BID FOR RECONSTRUCTION OF THE FLORIDA AVENUE CANAL BETWEEN SPAIN AND MUSIC**

Mr. Becker recommended the low bid of Cajun Contractors, Inc. for the amount of \$2,216,000.00.

Upon a motion by Mr. Manning and seconded by Ms. Kane, the motion was approved.

## **Item 3**

## **CHANGE ORDERS**

### **R-024-2014 – RATIFICATION OF CHANGE ORDER NO. 5 FOR CONTRACT 1353 – HURRICANE RELATED REPLACEMENT OF THE BOILER PRE HEATERS AT THE CARROLLTON WATER PURIFICATION PLANT – POWER COMPLEX**

Mr. Becker recommended the ratification of change order #5 for contract 1353 – Hurricane Katrina related replacement of the boiler pre heaters at the Carrollton Water Purification Plant – Power Complex with Alfred Conhagen Inc. in the amount of \$261,170.31. This brings the total change order amount to \$440,605.26 or 16% of the original bid amount.

Upon a motion by Mr. Manning and seconded by Ms. Kane, the motion was approved.

**R-025-2014 - RATIFICATION OF CHANGE ORDER NO. 7 FOR CONTRACT 1350 – HURRICANE RELATED REPAIRS TO TURBINE 4 AT THE CARROLLTON WATER PURIFICATION PLANT – POWER COMPLEX**

Mr. Becker recommended ratification of change order #7 for contract 1350 – Hurricane Katrina Related Repairs to turbine 4 at the Carrollton Water Purification Plant – Power Complex with Industrial & Mechanical Construction, Inc. in the amount of \$910,424.08. This brings the total change order amount to \$1,599,465.26 or 12.54% of the original bid amount.

Upon a motion by Mr. Manning and seconded by Ms. Kane, the motion was approved.

**Item 4**      **R-020-2014 - CUSTOMER ACCOUNT MANAGEMENT REPLACEMENT SYSTEM**

Mr. Miller discussed the process used to identify a Tier 2 system that meets the needs of Sewerage and Water Board within the allotted budget. Staff determined the proposal from Cogsdale Corporation was the preferred choice. The proposed cost is \$3,928,155 with a five year cost of ownership totaling \$4,531,042.

Upon a motion by Mr. Manning and seconded by Ms. Kane, the motion was approved.

**Item 5**      **R-027-2014 –APPROVAL OF AGREEMENT BETWEEN THE UNIVERSITY OF NEW ORLEANS DEPARTMENT OF CIVIL AND ENVIRONMENTAL ENGINEERING AND THE SEWERAGE AND WATER BOARD OF NEW ORLEANS FOR MONITORING AND ODOR CONTROL PROJECT**

Ms. Goddard discussed the request for approval of agreement between the University of New Orleans, Department of Civil and Environmental Engineering and the Sewerage and Water Board of New Orleans for monitoring and odor control.

Upon a motion by Mr. Manning and seconded by Ms. Kane the motion was approved.

**Item 6**      **R-028-2014 –APPROVAL OF AGREEMENT BETWEEN THE CITY OF NEW ORLEANS DEPARTMENT OF PARKS AND PARKWAY AND THE SEWERAGE AND WATER BOARD OF NEW ORLEANS FOR GREEN INFRASTRUCTURE**

Ms. Goddard discussed the request for approval of agreement between the City of New Orleans, Department of Parks and Parkway and the Sewerage and Water Board of New Orleans for Green Infrastructure.

Upon a motion by Ms. Kane and seconded by Mr. Manning, the motion was approved.

**Item 7      R-032-2014 – AUTOMOBILE FLEET PHYSICAL DAMAGE INSURANCE**

Mr. Miller is recommending option #2, a one-time 14 month policy (a term from 3/20/14 to 5/20/15) for a premium of \$251,024. This would bring the Automobile Physical Damage coverage term concurrent with the Property coverage term (5/20/14-5/20/15) in 2015.

Upon a motion by Mr. Manning and seconded by Ms. Kane, the motion was approved.

**Item 8      R-019-2014 – AUTHORIZATION FOR THE FIRST RENEWAL TO AN AGREEMENT WITH BLACK & VEATCH CONSULTANTS FOR PREPARATION OF THE REPORT ON OPERATIONS FOR 2013**

Mr. Miller discussed the request for authorization (First Option Renewal) for Black and Veatch to prepare the Report on Operations for 2013 for a cost of \$101,000. DBE participation is 49%.

Upon a motion by Ms. Kane and seconded by Mr. Manning, the motion was approved.

**Item 9      BOND ISSUES STATUS UPDATE & PRELIMINARY RESOLUTIONS**

**R-033-2014 - SEWERAGE & WATER BOARD OF NEW ORLEANS  
PRELIMINARY RESOLUTION AUTHORIZING WATER REVENUE AND  
REFUNDING BONDS, NOT TO EXCEED (\$115,000,000)**

Mr. Miller discussed the preliminary resolution authorizing Water Revenue and Refunding Bonds not to exceed \$115,000,000.

Upon a motion by Ms. Kane and seconded by Mr. Manning, the motion was approved.

**R-034-2014 - SEWERAGE & WATER BOARD OF NEW ORLEANS  
PRELIMINARY RESOLUTION AUTHORIZING SEWERAGE SERVICE  
REVENUE AND REFUNDING BONDS, NOT TO EXCEED (\$200,000,000)**

Mr. Miller discussed the preliminary resolution authorizing Sewerage Service Revenue and Refunding Bonds not to exceed \$200,000,000.

Upon a motion by Ms. Kane and seconded by Mr. Manning, the motion was approved.

**R-035-2014 - C. SEWERAGE & WATER BOARD OF NEW ORLEANS  
PRELIMINARY RESOLUTION AUTHORIZING DRAINAGE SYSTEM  
IMPROVEMENTS AND REFUNDING BONDS NOT TO EXCEED  
(\$100,000,000)**

Mr. Miller discussed the preliminary resolution authorizing Drainage System Improvements and Refunding Bonds not to exceed \$100,000,000.

Upon a motion by Mr. Manning and seconded by Ms. Kane, the motion was approved.

## **INFORMATION ITEMS**

### **Item 10      PRELIMINARY UNAUDITED FINANCIAL RESULTS THROUGH DECEMBER 2013**

Mr. Miller discussed the preliminary unaudited financial results through December 2013. There were three significant non-recurring journal entries posted: correction of a prior-period journal entry write-down of amounts receivable from FEMA for reimbursement of storm damage reconstruction cost; correction of a prior-period journal cancellation of a portion of the Special Community Disaster Loan; and the cancellation of the remaining portion of the Special Community Disaster Loan. These journal entries were reviewed with and approved by our auditors from Postlethwaite & Netterville.

### **Item 11      QUARTERLY CASH MANAGEMENT AND INVESTMENT REPORT ENDING DECEMBER 31, 2013**

The committee received the report.

### **Item 12      CHANGE ORDER ANALYSIS** The committee received the report.

### **Item 13      FEMA PROJECT WORKSHEET**

The committee received the report.

### **Item 14      COMMITTEE/BOARD MEETING SCHEDULE**

The committee received the report.

### **Item 15      ANY OTHER MATTERS**

None

### **Item 16      REFERENCE MATERIAL (IN BINDERS)**

- A. Sewerage & Water Board By-Laws
- B. 2014 Operating & Capital Budgets
- C. Strategic Plan
- D. Tracking Tool for Commitments to the City Council
- E. Bond Rating

**Item 17      ADJOURNMENT**

**ATTENDANCE**

**Present:**

Mr. Charles F. Webb  
Mr. Wm. Raymond Manning  
Ms. Kerri Kane

**Absent**

Ms. Loyce Wright

Also in attendance were Robert Miller, Interim Executive Director; Joseph Becker, General Superintendent; Madeline Goddard, Deputy Superintendent; Brian Ferrara, Deputy Special Counsel; Ethel Williams, Finance Admin.; Dexter Joseph, Budget Director; Michele Holley, Budget Analyst; Jacqueline Shine, Utility Services Admin.; Melinda Nelson, Utility Services Admin.; Robert Jackson, Utility Senior Services Mgr. ; Alvin Porter, EDB Management Supervisor I; Jason Higginbotham, Utilities Senior Services Mgr.; Carol Rocque, Damon Rocque, Rocque Securities Corp.; Steven Stuart, BGR; Charles Kennedy Jr., The Kennedy Financial Group; Brenda Thornton, CommuniRep Inc; Jason Akers, F&J; Joe Sensebe, Arcadis;

Respectfully submitted,

---

Mr. Charles F. Webb, CPA, Chair